



**FIFTH WARD  
COMMUNITY  
REDEVELOPMENT  
CORPORATION**  
4300 Lyons Ave., Suite 300  
P.O. Box 21502  
Houston, TX  
77226-1502

Main 713-674-0175  
Fax: 713-674-0176  
www.fifthwardcrc.org

**Mission Statement**  
A catalytic organization  
dedicated to the  
collaborative fostering of  
holistic community  
development.

**Chairman**  
Michael Emerson

**Trustees**  
Gayila Bolden  
Charlotte Booker  
Jo Carcedo  
Harvey Clemons, Jr.  
Bridgette Dorian  
Bob Eury  
Wiley Henry  
Ian Rosenberg  
Carl Shields  
Bridgette Steele  
Charles Turner  
Marcus Vasquez  
Anthony Wilcots  
Andrew Wright

**President/CEO**  
Kathy Flanagan-Payton



Equal Housing Opportunity

**RFP NO.: EPA-OLEM-OBLR-19-07**

R06-20-C-003

**NARRATIVE INFORMATION SHEET**  
(2 PAGE LIMIT ON LETTERHEAD)

**1. Applicant Identification**

Fifth Ward Community Redevelopment Corporation  
4300 Lyons Avenue, Suite 300  
Houston, Texas 77020-2544

**2. Funding Requested**

- a. Grant Type: Single Site Cleanup
- b. Federal Funds Requested: \$500,000
- c. Contamination: Hazardous Substances

**3. Location**

- a. Houston
- b. Harris County
- c. Texas

**4. Property Information**

The Historic Site of St. Elizabeth Hospital  
4514 Lyons Avenue, Houston, Texas 77020

**5. Contacts**

Project Director  
Mayra Bontemps  
Fifth Ward Community Redevelopment Corporation  
4300 Lyons Avenue, Suite 300  
Houston, Texas 77020  
mbontemps@fifthwardcrc.org  
713-674-0175 x113

Chief Executive Officer  
Kathy Payton  
Fifth Ward Community Redevelopment Corporation  
4300 Lyons Avenue, Suite 300  
Houston, Texas 77020  
kpayton@fifthwardcrc.org  
713-674-0175

**6. Population**

Fifth Ward Community Redevelopment Corporation is a 501(c)(3) nonprofit organization located in Houston, Texas. According to [www.census.gov](http://www.census.gov), the population of the City of Houston as of 2018 is 2,325,502.

**7. Other Factors Checklist**

Other Factors	Page #
Community population is 10,000 or less.	NO
The applicant is a federally recognized Indian Tribe or US territory.	NO
The proposed brownfield site is impacted by mine-scarred land.	NO

## NARRATIVE INFORMATION SHEET

Page 2

### **7. Other Factors Checklist, Continued**

<b>Other Factors, Continued</b>	<b>Page #</b>
Secured firm leveraging commitment ties directly to the project and will facilitate completion of the project/reuse; secured resource is identified in the Narrative and substantiated in the attached documentation.	3
The proposed site(s) is adjacent to a body of water (i.e., the border of the proposed site(s) is contiguous or partially contiguous to the body of water, or would be contiguous or partially contiguous with a body of water but for a street, road, or other public thoroughfare separating them.	NO
The proposed site(s) is in a federally designated flood plain.	NO
The reuse of the proposed cleanup site(s) will facilitate renewable energy from wind, solar, or geothermal energy; or will incorporate energy efficiency measures.	3

### **8. Letter from the State**

Attached.

Jon Niermann, *Chairman*  
Emily Lindley, *Commissioner*  
Bobby Janecka, *Commissioner*  
Toby Baker, *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

November 12, 2019

Ms. Mayra Guevara Bontemps  
Fifth Ward Community Redevelopment Corporation  
433 Lyons Avenue, Suite 300  
Houston, Texas 77220

Re: Fifth Ward CRC's Proposal for a U.S. Environmental Protection Agency FY20 Brownfields Cleanup Grant

Dear Ms. Bontemps:

The Texas Commission on Environmental Quality (TCEQ) is pleased to offer this letter of support for the Fifth Ward CRC's proposal for the U.S. EPA FY20 Brownfields Cleanup Grant. The cleanup proposal is for the historic St. Elizabeth Hospital on Lyons Avenue. The Fifth Ward CRC's has already made great strides in the revitalization of Lyons Avenue and the surrounding area in order to provide equitable redevelopment of the entire Fifth Ward community. The TCEQ believes the work completed under the grant will significantly impact the enhancement of this community. The TCEQ looks forward to working with Fifth Ward CRC's on its Brownfields initiative and supports the grant proposal. You may contact me at 512-239-2252 or [Kristian.livingston@tceq.texas.gov](mailto:Kristian.livingston@tceq.texas.gov) if you have any questions or if you would like additional information.

Sincerely,

A handwritten signature in blue ink that reads "K. M. Livingston".

Kristy Mauricio Livingston, Brownfields Program Manager  
Remediation Division  
Superfund Section

KL/dl

cc: Ms. Mary Kemp, EPA Region 6, Brownfields Section, [kemp.mary@epa.gov](mailto:kemp.mary@epa.gov)  
Ms. Denise Williams, EPA Region 6, Brownfields Section, [williams.denise@epa.gov](mailto:williams.denise@epa.gov)

## **1. Project area description and plans for revitalization**

### **1.a. Target Area and Brownfields**

**1.a.i Background and Description of Target Area:** The City of Houston (“City”), Texas (Harris County) was founded in 1836 and has grown to become the fourth largest city in the United States with a population of over 2.3 million people. Known today as the *Energy Capital of the World*, the City’s early economy was built by shipping cotton, lumber, and other manufactured goods that were produced on nearby plantations or made domestically by enslaved African Americans. When the Civil War ended, African Americans flocked to Houston seeking new opportunities, although a great deal of these opportunities became increasingly limited following the passage of the Jim Crow laws and the full enforcement of legal segregation in the State of Texas. **One such segregated community is the historic 5<sup>th</sup> Ward and is the target area served by this cleanup project.**

The historic 5<sup>th</sup> Ward is situated on the north bank of Buffalo Bayou and is approximately five square miles in size. It begins near the northeastern edge of Downtown, with the western boundary along Hardy Street, extending east to Wayside Drive and north to Interstate 610, and is bisected by U.S. Interstate 69 (I-69 or US 59) and Interstate 10 (I-10). Following their emancipation at the end of the American Civil War, freed slaves began settling in this area. By the 1930s, the Fifth Ward was a segregated and thriving African American community with Black-owned businesses lining the Lyons Avenue corridor, which was considered the pride and front door to the 5<sup>th</sup> Ward. With a robust business community by day and booming theatres and music venues by night, **Lyons Avenue became known as the “Broadway of the South.”** However, following desegregation in the 1950s, many 5<sup>th</sup> Ward residents left the area, leaving behind boarded up homes, businesses and industries. In the 1960s, population rapidly declined as Urban Renewal efforts that led to the construction of I-10 and I-69 displaced thousands of 5<sup>th</sup> Ward residents and destroyed over 900 Black-owned residents and businesses.<sup>1</sup> The community fell into several decades of economic and environmental decline, resulting in **over 500 abandoned properties and brownfield sites, which include an inventory of 48 historic dry cleaners, 52 historic gas stations, and hundreds of abandoned commercial buildings,** as well as industrial operations to the south along the Buffalo Bayou and nearby Houston Ship Channel. As a result of this blight and economic distress, in the 1970s and 80s the 5<sup>th</sup> Ward became known as “Texas’ Toughest, Proudest, Baddest Ghetto” as described by Texas Monthly.

In 1989, Fifth Ward Community Redevelopment Corporation (Fifth Ward CRC) was formed to address the community’s many challenges, including limited economic and housing opportunities. For the past 30 years, the nonprofit has championed revitalization efforts through real estate development, affordable housing programs, and community services. With increasing frequency in recent years, Fifth Ward CRC has also been responsible for disaster recovery from catastrophic flooding, notably the Memorial Day Flood (2015), Tax Day Flood (2016), Hurricane Harvey (2017), and Tropical Storm Imelda (2019). Despite the economic challenges and continuous bombardment by natural disasters, the Fifth Ward CRC is implementing an aggressive plan for **reestablishing the 5<sup>th</sup> Ward as a vital place to live, work, and visit within the City of Houston.** To catalyze economic growth, while preserving culture and combatting displacement of current residents, Fifth Ward CRC and community partners have focused on establishing a Cultural Arts District along Lyons Avenue, creating equitable opportunities from the abandoned properties that line this strip. The most significant project today to anchor the transformation of the Lyons Avenue Corridor, as well as serve immediate housing needs, is the **adaptive reuse of the St. Elizabeth’s Hospital.**

**1.a.ii Description of the Brownfield Site:** Built in 1947 (completed in 1953) in a racially segregated Houston, St. Elizabeth’s Hospital (4514 Lyons Avenue) was the first hospital dedicated to serving African Americans in Harris County. The hospital was built by the Sisters of the Immaculate Conception and was expanded several times to accommodate the growing population and need. The hospital closed in 1988 and was converted to a residential treatment facility in 1996. The treatment center closed in 2014 and the property suffered immediate degradation with vandalism and water damage from catastrophic weather events. Fifth Ward CRC and its newly form entity 4514 Lyons, LLC purchased the hospital building in April 2016 to save the abandoned and vandalized property from further deterioration and to rehabilitate it to once

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<sup>1</sup> *Power Moves: Transportation, Politics, and Development in Houston* (2017) by Kyle Shelton



again serve the community. **Honoring the cultural significance of St. Elizabeth’s Hospital through historic preservation is fundamental to preserving the authentic identity and African American heritage of the neighborhood.**

Environmental due diligence, conducted prior to acquisition, as well as subsequent investigation performed by the City of Houston’s Brownfields Redevelopment Program, identified several Recognized Environmental Conditions (REC), including a former 3,000-gallon diesel underground storage tank (UST) used on site for fleet refueling (removed in 1995) and a historic service station on-Site. Results of Phase II soil and groundwater sampling concluded that there was no evidence of impacts to the Site from RECs and recommended no further action for assessment or cleanup of the subsurface. However, several building surveys for asbestos-containing materials (ACM) confirmed and estimated 128,720 square feet and 6,363 linear feet of ACM, including insulation, mastic, plaster, and floor tiles. Additionally, lead surveys of the building confirmed lead-based paint (LBP) coating over 16,300 square feet of materials. The disturbance of ACM may cause asbestos fibers to be released into the atmosphere, creating a potential health hazard to workers and building occupants. Exposure to airborne asbestos fibers is associated with asbestosis, lung cancer, and mesothelioma. Lead can be absorbed through ingestion of lead-based paint or inhalation of lead dust. Excessive blood-lead levels can damage the brain and central nervous system. Exposure to lead can cause reproductive problems, high blood pressure, nerve disorders, muscle and joint pain, and memory and concentration problems.

Although the building had been occupied as recent as 2014, the significant damage to the interior from vandalism and water infiltration has exposed these hazardous building materials and created unsafe conditions for construction workers. Additionally, renovation plans will require demolition or abatement of most of the building materials. To comply with US EPA, Occupational Safety and Health Administration (OSHA), and Texas State Health Services Department (TSHSD) regulations for protection of workers and future occupants, and to ensure proper waste disposals, specialized and costly cleanup of hazardous building materials are required. Due to the size of the building, cleanup costs are estimated at \$1 million and present a significant hurdle, threatening the viability of the project.

## 1.b Revitalization of the Target Area

**1.b.i Reuse Strategy and Alignment with Revitalization Plans:** The reuse strategy for St. Elizabeth’s is **intentionally designed based on years of community planning and public input (see table below)**. To honor the building’s history, Fifth Ward CRC received a historic designation for the building in 2018 and plans to reuse the property for **mixed income residential housing**. Although the building suffered water damage from Hurricane Harvey and preceding storms, this was a function of its disrepair, not flooding. Its location and resilient infrastructure make it ideal for residential housing, which is in high need, especially after the loss of housing stock in recent years matched with increasing demand for affordable options. Furthermore, the rebirth of St. Elizabeth’s will have significant impact on preserving the identity and cultural heritage of the community, as well as catalyzing economic development along Lyons Avenue. Despite its current state of blight and disrepair, the hospital’s history is woven into the fabric of the community: many residents still remember the functioning hospital and take great pride in its history. With overwhelming public support, the City has committed to supporting the restoration of this iconic building, as it aligns with several recommendations in both the Houston General Plan and Arts & Cultural Plan, and meets the direct need for affordable housing throughout Houston.

Plan	Description	St. Elizabeth’s Alignment
Cultural Arts District Plan, 2019	Establish the 5 <sup>th</sup> Ward’s Lyons Avenue Cultural Arts District, a living cultural arts district that will recognize Lyons Avenue as a center of African American culture while acknowledging its diversity.	Priority site for preservation of historic African American identity. Integrated housing in response to the threat of gentrification
Buffalo Bayou East Master Plan, 2019	The plan includes hike and bike trails, waterfront dining options, boat landings, arts venues and expansion of existing park spaces both on the north and south side of Buffalo Bayou and East of Downtown Houston Buffalo Bayou is the southern border of the 5 <sup>th</sup> Ward Community.	Residential development with connectivity directly to the parks system.

Framework Plan (2015)	The Greater Fifth Ward Framework Plan 2015-2035 charts the course for a range goals and strategy, both public and private necessary to bring the vision to fruition. Developed through intensive information gathering, involvement from the Board, stakeholders and community members the Framework Plan defines the strategy necessary implement the vision.	St. Elizabeth's identified as community asset and redevelopment priority.
Livable Centers (2015)	The purpose of the Fifth Ward / Buffalo Bayou / East End Livable Centers was to facilitate the creation of sustainable, viable, mixed-use, and mixed-income environments.	Identified affordable housing as a priority for quality of life improvements in the Fifth Ward.
Fabulous Fifth (2012)	The Fabulous Fifth was as American Institute of Architecture project that provided strategic assistance in repositioning and revitalizing the central part of the City's Fifth Ward and its traditional "main street" along the Lyons Avenue corridor.	Identified St. Elizabeth's as a priority site for anchoring the cultural arts corridor and revitalization of Lyons Avenue.

**1.b.ii Outcomes and Benefits of Reuse Strategy:** Through the renovation of the 4 story, 74,577 square foot original limestone structure, demolition of non-historic additions to the hospital (center wing), and new construction on adjacent lots, the project will create 179 residential units, ranging from studios to two-bedroom apartments. At least 51% of the total units will be affordable and help address the housing shortage in the community. The property will also include a community room, pool, outdoor gardens, recreation space, and an art installation to align with the Cultural Arts District to honor the building's history. While historic preservation requirements will guide the use of windows and other building materials, the property will be renovated with the use of energy star rated appliances, fixtures and heating and cooling systems. Green space and pervious parking have also been incorporated into final designs to mitigate localized flooding by reducing stormwater runoff.

With its prominent location and impressive historic significance, St. Elizabeth's will serve as a cornerstone for the community. As one of the tallest structures in the neighborhood, the four-story building has a striking entry staircase and a presence that is hard to miss. With the renovation of this pillar in the community, the investment potential will continue to open additional doors to new business and investments, especially with incentives associate 5<sup>th</sup> Ward's designation as an Opportunity Zone and its existing Tax Increment Refinancing Zone (TIRZ). Furthermore, the City has plans to capitalize on the St. Elizabeth's project as a model for how similar projects can support the creative community and stabilize neighborhoods throughout Houston, as well as promote it nationally as a guide for neighborhood stabilization.

### 1.c Strategy for Leveraging Resources

**1.c.i Resources Needed for Site Reuse:** The complete redevelopment of St. Elizabeth's Hospital is a \$53 million multiphase project that includes the historic renovation of the original hospital and new construction of a 4-5 story multifamily building. While the remediation portion of the project is less than 2% of the total cost, the \$1 million in remediation work is a critical aspect of the renovations. **The remediation will need to be completed to unlock project financing and prior to the start of the general construction to and ensure safe conditions for construction workers in the building.**

To date, the project has leveraged \$38.6M including City of Houston Harvey Recovery Fund (\$28M) to support the replacement of lost housing stock; Texas Historic Commission tax credits (\$4M) and National Parks Service tax credits (\$5.7M) in support of historic preservation activities; Federal Home Loan Bank of Dallas grant (\$750,000) specific to construction of 51% affordable housing; and a Wells Fargo grant (\$150,000) for general project costs. Fifth Ward CRC and its development partner Cantwell-Anderson have the ability to secure a \$14,400,000 private bank loan and repay the loan with operating income driven by the 49% market rate rental units. However, this large funding gap restricts the affordability of all units and threatens the overall project feasibility.

**1.c.ii Use of Existing Infrastructure:** St. Elizabeth's Hospital is located in an established neighborhood where city services, including water, wastewater, and stormwater are managed and evaluated as part of the City's 5-year Capital Improvement Plan (CIP). The St. Elizabeth's Hospital project will use the existing infrastructure of the historic building itself, remediating to adapt the building for safe residential use. Fifth Ward CRC is

also using this project to improve infrastructure surrounding the hospital, which will include the upgrading and rerouting of water, wastewater, and stormwater lines to increase capacity for the needed services. Stormwater upgrades should also reduce localized flooding. Beyond this project, to ensure that the infrastructure is in place to support continued redevelopment in the community, the 5<sup>th</sup> Ward TIRZ recently passed a \$245 million plan to invest in public infrastructure, economic development and affordable housing.

## **2. Community Need and Community Engagement**

### **2.a Community Need**

**2.a.i The Community's Need for Funding:** The grant will be used to help meet the needs of a low-income community lacking the initial sources of funding to advance the project without assistance from EPA. The 5<sup>th</sup> Ward community has experienced **persistent poverty for decades** with a median household income (\$27,128) that is about half that of the city (\$49,399), county (\$57,791), and state (\$57,051), and the unemployment (10%) and total population poverty rates (34.5%) are almost double the corresponding rates for State (5.8%, 16%).<sup>2</sup>

As a nonprofit community redevelopment corporation, the Fifth Ward CRC relies on grant funding to make projects like the St. Elizabeth's Hospital rehabilitation possible. In recent years, a significant amount of Fifth Ward CRC resources and staff hours have gone to recovery efforts post-Hurricane Harvey, which have included home renovations, emergency response services, and resiliency planning for future disasters. Due to the high cost and size of the St. Elizabeth's project, as well as other demands on organizational and City resources, all available funding options (Section 1.c.i) have been fully expended. Although the City of Houston is supporting the project with \$28M, there are no additional funds available as the City faced budget shortfalls ranging from a few million to tens of millions of dollars over the past several years. This already critical financial situation has only been exacerbated by the unprecedented damage the City experienced as a result of the devastation associated with Hurricane Harvey in August of 2017, which the Greater Houston Partnership and Moody's Analytics estimate will cost the City \$50 billion in property damage and lost economic activity. Furthermore, this year (2019), the City experienced even more flooding damage from Tropical Storm Imelda which dropped 40 inches of rain in 72 hours flooding areas that experienced similar flooding during Hurricane Harvey.

### **2.a.ii Threats to Sensitive Populations**

**(1) Health or Welfare of Sensitive Populations:** The welfare of the residents of the 5<sup>th</sup> Ward has been radically impacted by persistent poverty over the past 50 years, most of which are low income minorities. Today, 5<sup>th</sup> Ward's population is 48,679, 97.2% of which identify as a minority (38.8% African American & 59.7% Hispanic). The 5<sup>th</sup> Ward also has higher sensitive populations of children (24.1%) and elderly (11.6%), as compared to the rest of Houston (21.5%, 9.6%). Additionally, nearly 50% of the population in this community do not own their own home, whereas only 36% of the total City population fall into this category.

Even before Hurricane Harvey, Houston was struggling with housing related issues. Impacts from Hurricane Harvey on the housing stock exacerbated and magnified many of these housing issues. The inventory of low to moderate income households damaged by Hurricane Harvey exceed 103,000 and account for over \$5 billion in losses throughout Houston. In addition, many homes in Houston had already been damaged by disasters in years preceding Hurricane Harvey. Although damages were widespread, the effects are most severe in low-income minority communities like 5<sup>th</sup> Ward, as they compound with existing environmental, economic, and health disparities.

**(2) Greater Than Normal Incidence of Disease and Adverse Health Conditions:** The cumulative effect of economic distress, natural disasters, and environmental contamination have disproportionately affected the health of 5<sup>th</sup> Ward residents, who experience higher percentages of cardiovascular disease diagnoses, diabetes diagnoses, and high blood pressure diagnoses when compared to city, state, and national averages. Various factors, including lack of fresh food, neighborhood safety, and mobility issues, are also likely contributing to a community in which the percentage of obese adults is higher than the city, state, and

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<sup>2</sup>Data from 2017 U.S. Census Bureau, ACS 5-year estimates ([www.census.gov](http://www.census.gov)) using zip codes 77020 and 77026 for the 5<sup>th</sup> Ward

national average diagnoses and the percentage of overweight children is over three times that of the national average. Furthermore, lack of investments in 5<sup>th</sup> Ward have prevented needed upgrades to aging infrastructure, resulting in a disproportionate number of buildings still containing lead-based paint, asbestos, and other hazardous materials, like St. Elizabeth's. According to the Houston Health Department, over 4,000 homes in 5<sup>th</sup> Ward were built before lead was banned in 1978. With 78% of homes in the area potentially contain lead paint hazards, as many as 51% of screened children in 5<sup>th</sup> Ward have tested positive for elevated blood lead (above Center for Disease Control reference values).<sup>3</sup> Lead poisoning in children can result in learning disabilities, behavioral problems, mental retardation, speech and language handicaps and brain damage. Extremely high blood lead levels can trigger seizures, coma or even death.

	<b>Fifth Ward</b>	<b>City of Houston</b>	<b>State of Texas</b>	<b>United States</b>
Obese Adults <sup>1,2</sup>	37%	30%	32.4%	36.5%
Children at Unhealthy Weight <sup>1,2</sup>	57%	34%	19%	17%
Asthma Diagnosis <sup>4</sup>	9%	5.3%	7.3%	7.6%
Cardiovascular Disease Diagnosis <sup>2,3</sup>	11%	7%	9%	11.7%
Diabetes Diagnosis <sup>2</sup>	20%	11%	10.9%	9.3%
High Blood Pressure Diagnosis <sup>2</sup>	35%	30%	29.5%	29%

<sup>1</sup>Data is from The State of Obesity in Texas, available at <http://stateofobesity.org/states/tx/><sup>2</sup>Data is from the University of Texas Health Science Center at Houston Health of Houston Survey 2010, available at <https://sph.uth.edu/research/centers/ihp/health-of-houston-survey-2010/>

<sup>3</sup>Data is from Center for Disease Control & Prevention National Center for Health Statistics, available at <https://www.cdc.gov/nchs/fastats/heart-disease.htm>

<sup>4</sup>Data is from National Center for Health Statistics, available at <https://www.cdc.gov/nchs/fastats/asthma.htm>

(3) *Disproportionately Impacted Populations*: Numerous commercial/industrial facilities have been located in the 5<sup>th</sup> Ward for decades and have made this area both historically significant and a vital part of the local and world economy. However, these facilities may also be contributing to health and environmental justice issues in this community that includes a higher than average percentage of sensitive populations and are almost entirely minorities. Houston has been classified as a severe nonattainment area, considered to have air quality worse than the National Ambient Air Quality Standards, for ozone for many years. Additionally, the EPA Environmental Justice and Mapping Tool identifies the 5<sup>th</sup> Ward in the 80–90<sup>th</sup> percentile or higher for all of the Environmental Justice Indexes when compared to state, regional, and national percentiles, including the lead paint index (% housing built before 1960). According to the Houston Health Department, the 5<sup>th</sup> Ward is an environmentally disadvantaged and severe-needs community suffering from a strong history of childhood lead poisoning.

The historically commercial/industrial nature of this community, combined with the dense residential population and the lack of zoning has created an incompatible situation in which commercial/industrial properties are located in very close proximity to residential homes and, in some cases, directly next door. At a recent community meeting, residents expressed that their top concerns were related to the spread of contaminants during heavy rains and flooding events from nearby industrial operations, railyards, and abandoned gas stations. A recent study of the Lyons Avenue corridor by the City of Houston's Brownfield Redevelopment Program identified over 500 potential brownfields, over 100 of which were listed as either a historic dry cleaner or historic gas station, reflecting commercial operations during the era of segregation. The city's Brownfields Inventory also identified hundreds of sites with environmental impacts ranging from metal plating facilities to municipal solid waste processing facilities to leaking petroleum storage tank sites to superfund sites in the target area.

## 2.b. Community Engagement

### 2.b.i & 2.b.ii Project Partners & Roles

<b>Partner/Contact Info</b>	<b>Role</b>
<b>Cantwell-Anderson</b> Tim Cantwell	A project of this magnitude requires significant collaboration and financial investment to ensure the community benefits from the restoration of the historic St. Elizabeth's Hospital and the provision of additional affordable housing in the

<sup>3</sup> <https://cityofhouston.news/feds-award-record-lead-based-paint-reduction-grant-to-houston-health-department/>

<a href="mailto:tcantwell@cantwell-anderson.com">tcantwell@cantwell-anderson.com</a> (301) 505-0055	community. Together as co-developers, Fifth Ward CRC and Cantwell-Anderson coordinate on all project decisions, including design, contractor selection, and financing.
<b>City of Houston BRP</b> Mark Wooten <a href="mailto:Mark.Wooten@houstontx.gov">Mark.Wooten@houstontx.gov</a> (832) 394-9003	The City of Houston's Brownfield Redevelopment Program has been a critical project partner for assessing environmental conditions of the property, characterizing hazardous building materials, and providing technical oversight to ensure compliance with regulatory standards and industry best practices. The program has committed to offering support with community outreach and will advise in the selection of an asbestos contractor to ensure regulatory compliance.
<b>Houston Health Department</b> Dr. Loren Hopkins <a href="mailto:Loren.hopkins@houstontx.gov">Loren.hopkins@houstontx.gov</a> (832) 393-5155	The Houston Health Department (HHD) has been active in addressing lead-based paint and other hazardous building materials in the 5 <sup>th</sup> Ward through their High Impact Neighborhoods Lead-Based Paint Hazard Reduction Program. HHD will serve as a resource to guide cleanup efforts and outreach materials to effectively communicate project health hazards and benefits of remediation with residents.
<b>Pleasant Hill Baptist Church</b> Rev. Harvey Clemons <a href="mailto:harveyclemonsjr@pleasanthillministries.org">harveyclemonsjr@pleasanthillministries.org</a> (713) 224-0052	Pleasant Hill Baptist Church is a long-standing advocate for revitalization of the 5 <sup>th</sup> Ward and the St. Elizabeth's Hospital. Support has and will continue to include outreach, distribution of project information, and gathering feedback from community members.
<b>Houston Local Initiatives Support Corporation (LISC)</b>  Senchel Matthews <a href="mailto:smatthews@lisc.org">smatthews@lisc.org</a> (713) 597-6838	Houston's chapter of the Local Initiatives Support Corporation (LISC) is committed to supporting the St. Elizabeth's project through two established programs in the 5 <sup>th</sup> Ward: <b>GO Neighborhoods and Disaster Recovery Rehab</b> . Through the GO Neighborhoods steering committee, which is comprised of community representatives tasked with conducting an extensive and deeply rooted quality of life assessment of 5 <sup>th</sup> Ward with a focus on housing, environmental justice, and education to career needs, LISC will expand St. Elizabeth's capacity to engage with the community and elicit input from hard to reach residents. LISC will also support through the Disaster Recovery Rehab program, which will provide housing councilors to assist in the placement of residents and families affected by flooding into new housing options offered at St. Elizabeth's upon its completion.

**2.b.iii Incorporating Community Input:** To ensure project success and community participation, Fifth Ward CRC developed a Communications Plan that serves as a guide for involving and engaging the community. Fifth Ward CRC uses several methods for bilingual (Spanish/English) communication and has a long-standing presence in the community. For the St. Elizabeth's project, various forms of communication are currently utilized, including public forums, social media, project website, email blasts, and postings of notices at local venues frequented by residents. As part of the application for Brownfields Cleanup funding, Fifth Ward CRC has notified the community through these means and has participated in other civic activities to inform the community as well as held a dedicated public meeting regarding this grant application. Attendance at this meeting was low as is typical when there is little or no opposition, however, previous public forums have been well attended. Following notice of award, an initial kick-off meeting will be held in the community to provide more details regarding timeline and the remediation process itself. Public input relative to health concerns during the remediation process will be considered, and, at the advisement of the EPA and HHD, incorporated into project execution, air monitoring, traffic planning, or construction plans.

### **3. Task Descriptions, Cost Estimates, and Measuring Progress**

**3.a. Proposed Clean Up Plan:** St. Elizabeth's Hospital was constructed in 1947 and, although the building was fully functional until 2014, ACM and LBP from original building materials remain on site today hidden beneath layers of new construction. These materials include plaster, mastic, tiles, system piping, and paint. After the building was abandoned in 2014, water damage from Hurricane Harvey and extensive vandalism worsened the hazardous conditions by exposing friable asbestos and dispersing LBP chips and dust.

Based on the results of this extensive testing, it is estimated that 128,000 SF and 6,363 LF of ACM and 16,300 SF of LBP will need to be abated in accordance with U.S. EPA, OSHA, and TDSHS regulations

and procedures. As stated in the attached Analysis of Brownfields Cleanup Alternatives (ABCA), per TDSHS, every aspect of asbestos management from inspection to removal, or maintenance in place, is to be performed by a licensed individual trained in accordance with TAHPR requirements. The removal of the ACM will be conducted by EPA accredited and TDSHS licensed asbestos abatement workers under the supervision of an EPA accredited and TDSHS licensed supervisor employed by a TDSHS licensed contractor. Abatement by removal will occur prior to renovation activities and will start with the demolition of the center wing of the building. For the abatement of the historic portion of the building, negative pressure containments will be built to prevent visible emissions and wet methods will reduce fiber releases. Air monitoring will be required during abatement to ensure worker and public safety from any potential releases from engineered controls. ACM and LBP contaminated materials will be separated from noncontaminated construction debris and disposed of off-site at an EPA approved and appropriately licensed disposal facility.

After cleanup is complete, air samples will be collected by an EPA accredited and TDSHS licensed air monitoring technicians and analyzed by Phase Contrast Microscopy (PCM) in accordance with NIOSH 7400 Method. Through visual inspection and once the concentration of fibers in the samples achieve less than 0.01 fibers/cc, the cleanup area will be deemed cleared. Copies of the Certification of Visual Inspection and clearance test results will be posted for each work area through the entire building.

### 3.b Description of Tasks/Activities and Outputs:

<b>Task 1 – Community Involvement</b>
<i>i. Project Implementation:</i> The Fifth Ward CRC’s mission is rooted in the community and over the past 30 years, our projects have reflected the community’s collective vision for quality of life improvements. With the St. Elizabeth’s project, the Fifth Ward CRC will continue to solicit input from the public with at least three public meetings, social meeting postings regarding project updates, public notifications, participation in workshops, and other critical outreach. Fifth Ward CRC has two full time staff dedicated to community engagement and communications, both of which are fluent in both English and Spanish, and will assist with meeting facilitation, marketing & educational materials, and gathering public feedback to incorporate into project plans.
<i>ii. Schedule:</i> Continuous project updates and at least 3 public meetings (Spring, Summer, & Fall 2020)
<i>iii. Task Lead:</i> Fifth Ward CRC
<i>iv. Output(s):</i> 1) Outreach meetings (3 total) with notices, agendas, presentations, sign-in sheets, and meeting notes. 2) Outreach materials (fact sheets; summary sheets; website updates in both Spanish and English).
<b>Task 2 – Cleanup Planning</b>
<i>i. Project Implementation:</i> Fifth Ward CRC has engaged a licensed asbestos consultant (via a competitive procurement process) to prepare a bid specification package and detailed abatement plan for the purposes of procuring abatement contractors, refining the cleanup budget, and ensuring that the cleanup complies with EPA, OSHA, and TDSHS standards and procedures. Following execution of the cooperative agreement, Fifth Ward CRC will finalize the ABCA and abatement plan for submittal to EPA for review and approval. In addition, a quality assurance project plan (QAPP) that details all field and laboratory procedures for health and safety monitoring and collection and analysis of confirmation, treatment verification, and other types of environmental samples in conjunction with cleanup – will be prepared and submitted to EPA for review/approval.
<i>ii. Schedule:</i> April - June 2020
<i>iii. Task Lead:</i> Fifth Ward CRC
<i>iv. Output(s):</i> 1) Final ABCA. 2) Final Abatement Plans 3) QAPP (if needed based on scope of work funded)
<b>Task 3 – Cleanup</b>
<i>i. Project Implementation:</i> Fifth Ward CRC staff (led by Mayra Bontemps) will manage a licensed asbestos/lead consultant and qualified abatement contractor. The licensed consultant will be responsible for designing the cleanup strategy, approving waste disposal, enforcing health & safety protocols, conducting required air monitoring, and documenting of daily activities, waste management, and general cleanup progress. The contractor will be responsible for the abatement of ACM and LBP, complying with the abatement specifications, and the transport and disposal of ACM/LBP contaminated waste. The consultant and/or contractor will also be responsible for notifications to the TDSHS and any associated permits. Once cleanup standards are met, the consultant will prepare a completion report documenting the cleanup activities and providing copies of the waste manifests, air monitoring results, and any other pertinent information, like additional sample analysis. The final report will be provided to EPA for review, comment, and approval, if determined to be necessary.
<i>ii. Schedule:</i> May 2020 (or upon approval of EPA Cooperative Agreement & project documents) – September 2020



iii. <i>Task Lead:</i> Fifth Ward CRC and Consultant
iv. <i>Output(s):</i> 1) Contractor RFPs and bid results, 2) Contractor Pre-Work Submittals, 3) Laboratory Testing Reports, and 4) Closure Reports.
<b>Task 4 – Grant Management &amp; Reporting</b>
i. <i>Project Implementation:</i> Fifth Ward CRC will dedicate staff (Mayra Bontemps, Chief Real Estate Officer) to managing grant requirements established in the EPA’s Cooperative Agreement, including ACRES reporting, contractor procurement, quality assurance, budget, and schedule. Grant funds will also be used to pay for travel costs for one Fifth Ward CRC staff member to attend two regional or national brownfield conferences to share project lessons learned and successes.
ii. <i>Schedule:</i> Ongoing with quarterly reporting to ACRES
iii. <i>Task Lead:</i> Fifth Ward CRC
iv. <i>Output(s):</i> 1) Quarterly progress reports 2) annual DBE reports 3) final closeout report 4) ACRES updates (as needed), 5) All associated documentation and reporting to be provided to EPA (including waste manifests)

**3.c Cost Estimates:** The total cost for cleanup is currently estimated at \$1 million. The Fifth Ward CRC has leveraged \$500,000 to cover remediation costs, as discussed in Section 1.c. Per grant guidelines, only the EPA funded portion of the project and the 20% cost share has been included in the table below. Fifth Ward CRC will meet the 20% cost share through a combination of staff time spent performing outreach, project management, grant management, and ACRES reporting in conjunction with implementation of Tasks 1 and 4; work performed by consultants for Tasks 1 through 3 – but paid for through Fifth Ward CRC’s general operating budget and existing predevelopment loans; and other costs for travel, rental space, and supplies will be paid for out of Fifth Ward CRC’s general operating budget.

Budget Category		Project Tasks (\$)				TOTAL
		1-Community Involvement	2-Cleanup Planning	3-Cleanup	4-Grant Mgmt. & Reporting	
Direct Costs	Personnel	\$420	\$ -	\$ -	\$4,500	\$4,920
	Fringe Benefits	\$125	\$ -	\$ -	\$1,350	\$1,475
	Travel	\$ -	\$ -	\$ -	\$5,000	\$5,000
	Equipment	\$ -	\$ -	\$ -	\$ -	\$ -
	Supplies	\$500	\$ -	\$ -	\$ -	\$500
	Contractual	\$1,000	\$14,755	\$571,600	\$ -	\$587,355
	Other	\$750	\$ -	\$ -	\$ -	\$750
Total Direct Costs		\$2,795	\$14,755	\$571,600	\$10,850	\$600,000
Total Indirect Costs						\$ -
Total Federal Funding				\$500,000		\$500,000
Cost Share		\$2,795	\$14,755	\$71,600	\$10,850	\$100,000
Total Budget		\$2,795	\$14,755	\$571,600	\$10,850	\$600,000

*Task 1 – Community Involvement (Total Budget = \$2,795):* Fifth Ward CRC staff time estimates include 3 staff at 4 hours per meeting at for 3 public meetings. Supplies, including projectors, tables, chairs, pens, and sign-in sheets will provided through Fifth Ward CRC’s general operating budget. For technical support, 10 hours of consultant hours have been included (\$100/hr) to prepare for and attend the 3 meetings. Other includes venue rental to hold public meetings (\$250/event).

*Task 2 – Cleanup Planning (Total Budget =\$14,755):* Consultant to provide abatement specifications, final ABCA, and bid documents (\$5,000 fixed fee documents); support to Fifth Ward CRC during the procurement process to select an abatement contractor (\$5,000 for 50 hours at \$100/hr.); and, \$4,750 (4 days at \$750 day rate & 50 samples at \$35/sample) to refine quantities of ACM and LBP for abatement design and cost estimates for disposal.

*Task 3 – Cleanup (Total Budget \$571,600):* Upon finalizing the Cooperative Agreement, Fifth Ward CRC will work with the licensed consultant to procure an abatement contractor. The following table is a breakdown of the EPA funded portion of the cleanup estimates, which are based on the experience of several local asbestos consultants and preliminary estimates from select abatement contractors. The total cleanup



estimates are expected to reach approximately \$1 million and will likely require at least 60 days of abatement and oversight. Supplemental funding has been secured to complete the abatement (see Section 1.c).

<b>Task 3 Breakdown</b>	<b>Unit Cost</b>	<b>Unit</b>	<b># Units</b>	<b>Total</b>	<b>Comment</b>
Oversight/Air Monitor	\$1,000	days	45	\$45,000	Required licensed consultant oversight
Project Documents	\$7,000	ea	1	\$7,000	Includes final ABCA, QAPP, bid documents, health and safety plan, closure reports.
Abatement Day Rate	\$10,925	day	45	\$491,625	Davis Bacon Rates, assume 20 workers and 10-hour days
Transport & Disposal ACM or LBP Waste	\$55	cy	500	\$27,500	Cubic yards (cy) of contaminated materials for disposal (based on similar jobs)
Misc. Expenses	\$475	ea	1	\$475	e.g. additional samples, gloves, water, etc.
<b>Task 3 Total</b>				<b>\$571,600</b>	

**Task 4 – Grant Management & Reporting (Total Budget = \$10,850):** Budget assumes administrative costs associated with managing the grant and reporting grant progress will be covered by Fifth Ward CRC’s staff salaries/operating budget. During the three-year grant period, Fifth Ward CRC will commit to attending either two regional brownfields conferences or the National EPA Brownfields Conference in 2022. Travel budget includes flexibility to support one or two staff in traveling to the national conference or regional conference by air (\$300 - 500 round trip airline ticket), hotels averaging \$150/night, \$45/day per diem meals, and other miscellaneous expenses, including the \$150 NBC registration ticket.

### **3.d Measuring Environmental Results**

Upon notice of award, the project schedule will be updated with tasks, subtasks, milestones, and reporting requirements specific to the EPA grant, including the outputs associated with each task as detailed in Sections 3.b and 3.c. This schedule will be reviewed on at least a weekly basis throughout the project to identify deviations in schedule as soon as they occur so that corrective measures can be developed and implemented to maintain progress. Copies of the updated schedule will be included with each quarterly progress report provided to EPA and shared with the public on the project website. Site specific updates will be tracked in the ACRES database. The outputs tracked will include 1) number of outreach events or publications, 2) the quantity of hazardous building materials removed, and 3) the square footage of renovated space, cleaned up for residential occupancy.

## **4. Programmatic Capability and Past Performance**

### **4.a. Programmatic Capability**

**4.a.i Organization Structure:** The cleanup grant will be administered by Fifth Ward CRC, a 501(c)(3) nonprofit organization. As a steward of Houston’s Historic 5th Ward and comprehensive community developer, Fifth Ward CRC seeks to enhance quality of life for individuals and families, eliminate blight, attract investment and resources, encourage commercial and business development, coordinate government and public service, and offer a sense of destination and creative place-making. Throughout its 30-year history and under the leadership of Ms. Kathy Flanagan Payton, President and CEO, Fifth Ward CRC has used local, state, federal and private funding to complete developments of varying levels of complexity. Ms. Payton is supported by an active 14-member board and full professional staff, whose specialties include real estate development, community engagement, grant administration, and construction management. Fifth Ward CRC is also an exemplary rated NeighborWorks Charter Affiliate and Local Initiative Support Corporation (LISC) GO Neighborhoods convening agency, which enhance the organization’s capacity to direct much needed resources and expertise to solving community challenges.

**4.a.ii Description of Key Staff:** The St. Elizabeth’s redevelopment project will be managed directly by Mayra Bontemps, Chief Real Estate Officer with Fifth Ward CRC, who will also serve as the EPA grant manager. Ms. Bontemps has over 20 years of industry experience, specifically working with public and nonprofit organizations to serve low to moderate-income communities. Prior to joining Fifth Ward CRC in 2019, Ms. Bontemps was *Assistant Director for Disaster Recovery & Public Services*, City of Houston Housing and Community Development Department (HCDD). At HCDD, Ms. Bontemps establish the

department's first Disaster Recovery Division, managing over \$650 million in housing and public service programs to assist Harvey impacted homeowners and renters. Ms. Bontemps also served as **Senior Program Officer for Real Estate** with LISC. While there she worked to identify and provide capacity building and technical assistance to nonprofit community development partners working through organizational and project development concerns, which included leveraging over \$30 million in local and federal funds each year.

To ensure grant compliance and quality assurance, Ms. Kathy Flanagan Payton, President and CEO of Fifth Ward CRC, will serve as the executive project officer for the EPA grant. Ms. Payton is a tenured executive with more than 25 years in the industry and extensive education and training to ensure a successful renovation of St. Elizabeth's Hospital. As CEO, Ms. Payton has attracted millions of investment dollars to the 5<sup>th</sup> Ward community, constructed more than 400 units of housing, facilitated sales for 1,200+ low-income purchasers and has repaired more than 1,500 homes to lead the disaster recovery efforts in 5th Ward. She has relevant experience managing environmental complications, including hazardous building materials, chlorinated solvent plumes, and petroleum storage tanks, and has been a key stakeholder and community advisor for identifying sites and reuse strategies with the City of Houston's Brownfields Redevelopment Program for over 5 years.

**4.a.iii Acquiring Additional Resources:** Through a competitive procurement process, Fifth Ward CRC has selected a qualified and licensed environmental consultant to ensure cleanup compliance with EPA, OSHA, and TSHSD regulations and best practices. Upon completion of an EPA grant Cleanup Work Plan, Fifth Ward CRC and our environmental consultant will solicit bids from qualified and licensed abatement contractors through a competitive procurement process to perform the abatement, demolition, and off-site disposal of hazardous building materials. Additional resources are not anticipated at this time; however, Fifth Ward CRC will utilize technical support from Kansas State University's Technical Assistance to Brownfields (TAB) Program, if needed.

In the case of turnover of key staff, Fifth Ward CRC is confident that grant and project objectives will be met with the support of 4 qualified CRC staff, a group of 14 CRC Board of Director, and co-developer support by Cantwell-Anderson who is fully committed to completion, evidenced by their guaranteed private loans. Mr. Tim Cantwell and his team at Cantwell-Anderson bring over 40 years of lessons learned and experience with similar historic preservation and large-scale projects, including Windrose Place Apartments and Office Court, consisting of 134 apartments and 14,000 square feet of renovated historic office space renovated in 1986.

**4.b Past Performance and Accomplishments:** For 30 years, the Fifth Ward CRC has managed millions of dollars in real estate investments, community programs, and home ownership assistance. In addition to leveraging over \$2.8 Million in State Low Income Tax Credits and over \$3.1 Million local TIRZ financing, Fifth Ward CRC has demonstrated successful use of federal funding to support revitalization projects, including: **\$6.3 Million U.S. Housing and Urban Development's Community Development Block Grant (HUD CDBG)** in 2015 for the restoration of the DeLuxe Theater (completed in 2016); **\$150,000 grant from the National Endowment for the Arts** in 2018 for Cultural Arts District planning (completed in 2019); and received a **\$3.7 Million Recovery Grant from the Economic Development Agency under the U.S. Dept. of Commerce (EDA)** to create the Fifth Ward Technology Center.

With the exception of the EDA grant (awarded 09-30-2019), all federal funding received by Fifth Ward CRC has been fully expended, grant schedules and reporting were in compliance, and project outcomes exceeded initial expectations. For the restoration efforts of the Historic DeLuxe Theater, a significant cultural icon along Lyons Avenue, Fifth Ward CRC received Houston Business Journal's 2016 Landmark Award for "Best Rehabilitation / Renovation." Outcomes of the theater renovation, which was a collaboration with Texas Southern University, included a functioning theater with state-of-the-art lighting and sound equipment, professional lighting/sound booths, 125 seat proscenium theater, box office, and a 2,500 square foot multipurpose event space, which is frequently used for community events. Fifth Ward CRC used 100% of the CDBG funds and met grant objectives as required by the City of Houston.

Internal Revenue Service

0 5 NOV 2007

Date: October 30, 2007

**FIFTH WARD COMMUNITY  
REDEVELOPMENT**

C/O KATHY FLANAGAN-PAYTON  
4300 LYONS AVE STE 300  
HOUSTON, TX 77020-2569

Department of the Treasury  
P. O. Box 2508  
Cincinnati, OH 45201

**Person to Contact:**

Mr. Barker 17-56979

Customer Service Representative

**Toll Free Telephone Number:**

877-829-5500

**Federal Identification Number:**

76-0288037

Dear Sir or Madam:

This is in response to your request of October 30, 2007, regarding your organization's tax-exempt status.

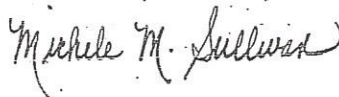
In January 1990 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



Michele M. Sullivan, Oper. Mgr.  
Accounts Management Operations 1

**THRESHOLD CRITERIA RESPONSE**  
*as an attachment(s)*

**1. Applicant Eligibility**

Fifth Ward Community Redevelopment Corporation (FWCRC) is a 501(c)(3) nonprofit organization. Please see attached documentation attached to the Narrative.

**2. Previously Awarded Cleanup Grants**

No Cleanup grants have been received by the organization.

**3. Site Ownership**

FWCRC acquired the Historic St. Elizabeth's Hospital site prior to December 3, 2019, the outlined ownership requirement date outlined in the Cleanup Grant application eligibility. See recorded deed attached.

**4. Basic Site Information**

The Historic Site of St. Elizabeth Hospital  
4514 Lyons Avenue, Houston, Texas 77020  
Owner: 4514 Lyons LLC

**5. Status and History of Contamination at the Site**

a. The site is contaminated by hazardous substances.

b. Built in 1947 (completed in 1953) in a racially segregated Houston, St. Elizabeth's Hospital (4514 Lyons Avenue) was the first hospital dedicated to serving African Americans in Harris County. The hospital was built by the Sisters of the Immaculate Conception and was expanded several times to accommodate the growing population and need. The hospital closed in 1988 and was converted to a residential treatment facility in 1996. The treatment center closed in 2014 and the property suffered immediate degradation with vandalism and water damage from catastrophic weather events. Fifth Ward CRC purchased the hospital building in April 2016 to save the abandoned and vandalized property from further deterioration and to rehabilitate it to once again serve the community.

c. The building surveys for asbestos-containing materials (ACM) confirmed and estimated 128,720 square feet and 6,363 linear feet of ACM, including insulation, mastic, plaster, and floor tiles. Additionally, lead surveys of the building confirmed lead-based paint (LBP) coating over 16,300 square feet of materials. Although the building had been occupied as recent as 2014, the significant damage to the interior from vandalism and water infiltration has exposed these hazardous building materials and created unsafe conditions for construction workers. Additionally, renovation plans will require demolition or abatement of most of the building materials.

**6. Brownfield Site Definition**

See attached Affirmation Statement.

**7. Environmental Assessment Required for Cleanup Grant Applications**

A Phase I Environmental Site Assessment (ESA) Report No. 201801148 of the St. Elizabeth site at 4514 Lyons Avenue was completed by Phase Engineering, Inc. on February 19, 2018.

A Petroleum Phase II Environmental Site Assessment (Phase II ESA) report was conducted by Terracon Consultants, Inc. (Terracon) Project No. 92187313, dated September 17, 2018.

**8. Enforcement or Other Actions**

No known environmental enforcements or other actions are identified or anticipated.

## **9. Sites Requiring a Property-Specific Determination**

The St. Elizabeth site does not require property-specific determination.

## **10. Threshold Criteria Related to CERCLA/Petroleum Liability**

Prior to purchasing the property, Fifth Ward CRC performed All Appropriate Inquiry by conducting an ASTM standard Phase 1 Environmental Site Assessment and therefore, meet the requirements for asserting an affirmative defense to CERCLA liability through one of the landowner liability protections (bona fide prospective purchaser liability protection per CERCLA § 101(40)).

## **11. Cleanup Authority and Oversight Structure**

Cleanup will be conducted in accordance with U.S. Environmental Protection Agency (EPA), Occupational Safety and Health Administration (OSHA), and Texas Department of State Health Services (TDSHS). Per TDSHS, every aspect of asbestos management from inspection to removal, and maintenance in place, is to be performed by a licensed individual trained in accordance with TAHPR requirements. The removal of the asbestos-containing materials will be conducted by EPA accredited and TDSHS licensed asbestos abatement contractor employing TDSHS licensed Asbestos workers under the supervision of an EPA accredited and TDSHS licensed Asbestos supervisor employed by a TDSHS licensed contractor. General project management and Brownfields Program Management will be performed by FWCRC. FWCRC will appoint a Program Manager and Quality Assurance Manager to oversee consultants and contractors and ensure project compliance with applicable laws, regulations, and industry standards.

## **12. Community Notification**

As part of the application for Brownfields Cleanup funding, Fifth Ward CRC has notified the community through the following means – social media, public area community postings, and community email blasts. Fifth Ward CRC has participated in other civic activities to inform the community and held a dedicated public meeting on November 25, 2019 at 4300 Lyons Avenue regarding this grant application. Attendance at this meeting was low, but is typical when there is little or no opposition, however, previous public forums have been well attended.

- Social Media - [www.facebook.com/5thwardcrc/](https://www.facebook.com/5thwardcrc/) - sent to 2,660 Community Follows
- Public Area Community Postings – posted in high traffic public community businesses
- Email Notification blasts to over 2,000 community residents and businesses.

Attachments included are as follows:

- a copy of the draft ABCA(s);
- a copy of the ad (or equivalent) that demonstrates notification to the public and solicitation for comments on the application; some examples of “equivalent” notice to an ad in the local newspaper include:
  - website screenshot;
  - mass mailer;
  - placing an ad on a community bulletin board; and
- the comments or a summary of the comments received;
- the applicant’s response to those public comments;
- meeting notes or summary from the public meeting(s); and
- meeting sign-in sheets.

## **13. Cost Share Explanation**

Fifth Ward CRC will meet the 20% cost share through a combination of staff time spent performing outreach, project management, grant management, and ACRES reporting in conjunction with implementation of Tasks 1 and 4; work performed by consultants for Tasks 1 through 3 – but paid for through Fifth Ward CRC’s general operating budget and existing predevelopment loans; and other costs for travel, rental space, and supplies will be paid for out of Fifth Ward CRC’s general operating budget.



Member driven.  
Community focused.

October 25, 2019

Mr. Marcus Vasquez  
Vice President, Fair Banking Officer  
Allegiance Bank  
13100 Northwest Freeway Suite 100  
Houston, TX 77040

**RE: St. Elizabeth Place**  
AHP Project number: **2019A0904**

Dear Mr. Vasquez:

The Federal Home Loan Bank of Dallas (Bank) is pleased to notify you that your application for the **St. Elizabeth Place** project has been awarded an Affordable Housing Program (AHP) grant for \$750,000. Please note the number referenced above, as it is your AHP project number for the grant.

Thirty-four (34) grant applications were approved during this funding period for a total of \$16.3 million, which will lead to the creation, renovation or acquisition of 2,057 housing units.

Enclosed for signature by your institution, is an *Affordable Housing Program Agreement* (Agreement). **The representative signing for your institution must have advances authority with the Bank as indicated by the Advances Signature Card on file at the Bank.** After signing this Agreement, please forward to the project sponsor and, if applicable, the project owner for their signatures. Please instruct the last signor to return the Agreement to the Bank's address listed below. Please note that the funding of the AHP grant is contingent upon fulfilling the responsibilities as set forth in the Agreement, including compliance with the Bank's AHP policies and procedures and the AHP regulations found at 12 C.F.R. §1291.

Congratulations on your efforts to provide affordable housing in your community. Additionally, the Bank is very interested in the start, progress and the ultimate success of your affordable housing development. Please keep the Bank in mind as you celebrate your project's milestones. The Bank may be able to offer some assistance with planning and participating in your celebratory events. We will contact you within the next few weeks to discuss the project, and look forward to working with you toward its successful completion. If you have any questions in the meantime, please contact Steven Matkovich, Elizabeth Hogan, Jill Droge, Eric Leonard or Judy Brumley at 800.362.2944.



Member driven,  
Community focused.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Hettrick", written over a horizontal line.

Greg Hettrick

First Vice President and Director, Community Investment Department

Attachment

cc (w/o attachment):

Mrs. Kathy Payton

Fifth Ward Community Redevelopment Corporation





# CITY OF HOUSTON

Housing & Community Development Department

**Sylvester Turner**

Mayor

Tom McCasland  
Director  
2100 Travis, 9<sup>th</sup> floor  
Houston, Texas 77002  
T. (832) 394-6200  
F. (832) 395-9662  
[www.houstontx.gov/housing](http://www.houstontx.gov/housing)

October 16, 2019

Fifth Ward Community Redevelopment Corporation  
Kathy Flanagan-Payton  
4300 Lyons Ave.,  
Houston, Texas 77020

Re: St. Elizabeth Place

Dear Ms. Payton,

In response to your request for loan financing for St. Elizabeth Place ("the Property" or "Project")), we are pleased to notify you your application was selected to receive a recommendation of award by the City of Houston Housing and Community Development Department ("HCDD") to provide construction and permanent financing. This letter is an outline of the proposed terms.

Note that receiving a recommendation from HCDD does not constitute a commitment. The financing request is subject to approval from the Mayor to place the financing request on the agenda of City Council and approval of the financing request by City Council. These requests will be made subject to HCDD's completion of underwriting. Based on the information you have provided in your application HCDD will underwrite the transaction on the following terms.

**BORROWER:** St. Elizabeth Place LP (the "Borrower").

**DEVELOPMENT ADDRESS:** 4514 Lyons Ave., Houston, TX 77020

**PROJECT DESCRIPTION:** The rehabilitation and new construction of a family affordable housing development. The unit design includes a mix of studio, one, and two bedroom units that will be affordable to tenants at 30%, 50%, 60% and 80% of area median income ("AMI"). The Project will also contain 87 unrestricted market rate units.

**LOAN AMOUNT:** The loan is estimated to be \$28,376,777. HCDD reserves the right to revise its award during its gap analysis completed through underwriting.

Council Members: Brenda Stardig Jerry Davis Ellen R. Cohen Dwight A. Boykins Dave Martin Steve Le Greg Travis Karla Cisneros  
Robert Gallegos Mike Laster Martha Castex-Tatum Mike Knox David W. Robinson Michael Kubosh Amanda Edwards Jack Christie  
Controller: Chris Brown

PROCEEDS TYPE	<p>Two sources of financing for this transaction will be provided by its allocation of funds from the multifamily program.</p> <p>\$4,700,000, CDBG Disaster Recovery Round 2 (1<sup>st</sup> Tranche)</p> <p>\$23,676,777, CDBG 2017 Disaster Recovery (2<sup>nd</sup> Tranche)</p>
AFFORDABILITY COVENANTS:	<p>Based on the information provided in the application and the funds allocated to this Project, HCDD will require 92 units (51% of the total units in the Project) of the total units restricted at 80% AMI or below, however, no less than:</p> <ul style="list-style-type: none"> <li>10 units will be restricted to households at rents at 30% AMI</li> <li>19 units will be restricted to households at rents at 50% AMI</li> <li>37 units will be restricted to households at rents at 60% AMI</li> <li>26 units will be restricted to households at rents at 80% AMI, or below</li> </ul>
PURPOSE:	<p>The CDBG Disaster Recovery Round 2 proceeds will be used towards direct acquisition of the property and related soft costs.</p> <p>The CDBG 2017 Disaster Recovery proceeds will be used to partially finance the historic renovation and new construction of the Property. Permanent financing will also be provided.</p>
TYPE OF LOANS:	<p>A non-revolving, advancing new construction loan and permanent loan (sometimes referred to as the "Loan").</p>
MATURITY DATE:	<p>Total loan term is to be 42 years. Construction term is to be 24 months. The permanent term and affordability period will be to be 40 years that will commence when the construction period is completed. Loan will be a non-amortizing throughout the construction and permanent period.</p>
PRINCIPAL AND INTEREST PAYMENT:	<p>Loan commitments become due and payable in full in the event of noncompliance or default over the life of the agreement, otherwise will be forgiven at maturity. Interest will be payable as herein set forth. Loans with an extended 40-year loan term will not be subject to the partial recapture agreement.</p>
LOAN PAYMENTS and INTEREST RATE:	<p>Throughout the 24-month construction term, payments are not required, and interest will not be accrued except in case of default. During the permanent term, Borrower will be required to pay the lesser of 1.00% annually on the outstanding balance of the loan until maturity or 50% of net cash flow proceeds, provided that default rate interest of 10% will accrue in the event of default. Payments will be subject to available cash flow for the property.</p> <p>Interest shall be calculated utilizing a 360-day basis for the actual number of days principal is outstanding.</p>
EXPENSES:	<p>Borrower will be responsible for all third-party expenses whether or not the loan closes. The following is an estimation of the costs to be accounted for at closing, but not limited to the following:</p> <ul style="list-style-type: none"> <li>• HCDD third-party attorney \$49,000</li> <li>• Appraisal \$5,000</li> <li>• Plan and cost review \$5,000</li> </ul>

Council Members: Brenda Stardig Jerry Davis Ellen R. Cohen Dwight A. Boykins Dave Martin Steve Le Greg Travis Karla Cisneros  
Robert Gallegos Mike Laster Martha Castex-Tatum Mike Knox David W. Robinson Michael Kubosh Amanda Edwards Jack Christie  
Controller: Chris Brown

	<ul style="list-style-type: none"> <li>Monthly construction inspections \$1,000 each throughout the construction period commencing with 2<sup>nd</sup> Tranche</li> </ul>
COMPLIANCE MONITORING FEE:	A Compliance Monitoring Fee of \$30 per HCDD restricted unit will be due annually and subject to change annually.
MODIFICATION FEE	Any changes to HCDD's loan terms, financing parties, Borrower structure, or ownership of the property after closing that requires the Director or city council approval will require a fee of no less than \$25,000 but determined at the time of request. HCDD acknowledges proposed sale to monetize Historic Tax Credits, which will not trigger modification fee.
CLOSING and CONSTRUCTION COMMENCEMENT:	Financing to close by no later than December 31, 2019. If an applicant has not closed by this date, HCDD reserves the right to reallocate an applicant's award to a separate transaction. Construction to commence within 30 days after the close date of the 2 <sup>nd</sup> Tranche to be no later than June 30, 2020.
COMPLETION DATE:	To be determined, however, it is anticipated that construction completion will occur within 24 months of the close date of the 2 <sup>nd</sup> Tranche, subject to force majeure not to exceed 60 days.
GUARANTEES OF COMPLETION:	HCDD will have full recourse to Fifth Ward Community Redevelopment Corporation & Cantwell-Anderson, Inc. under a performance guaranty.
CAPACITY:	Borrower to demonstrate adequate capacity for Project scope or secure a consultant experienced with completing renovations and lease up of commercial property of similar size and has shared space.
COLLARATERAL:	HCDD's Land Use Restriction Agreement for its restricted units will be placed in a superior position above all financing. HCDD to hold a junior lien deed of trust on land and improvements (as fee simple interest or leasehold) and subordinate to commercial financing at closing of 2 <sup>nd</sup> Tranche.
HTC EQUITY and OTHER SOURCES OF FINANCING:	<p>Equity to come from the sale of Historic Tax Credits (HTCs) to Foss Company and is expected to total approximately \$9,777,675.</p> <p>The additional funding sources are as follows:</p> <ul style="list-style-type: none"> <li>Walker &amp; Dunlop, \$14,471,079 (15-year loan term, 35-year amortization and Libor + 2.90% interest rate) (2<sup>nd</sup> Tranche)</li> </ul> <p>Loan terms are permissible to change upon approval.</p>
HCDD BUILDING STANDARDS:	Borrower will be required to rehabilitate and construct the Property to standards that meet the Property and Construction Standards outlined in the multifamily Disaster Recovery Guidelines. These standards include but are not limited to:

Council Members: Brenda Stardig Jerry Davis Ellen R. Cohen Dwight A. Boykins Dave Martin Steve Le Greg Travis Karla Cisneros  
Robert Gallegos Mike Laster Martha Castex-Tatum Mike Knox David W. Robinson Michael Kubosh Amanda Edwards Jack Christie  
Controller: Chris Brown

- HCDD Minimum Property Standards
- Energy Efficiency Standards (Entergy Star; LEED; Enterprise Green ICC-700; HUD CPD Green Building Checklist [rebahs only])
- ADA and visibility standards
- Installation of broadband infrastructure

**CONTINGENCY:** HCDD requires the minimum of a 5% hard cost contingency on new construction, 10% hard cost contingency on rehabilitation and 5% soft cost contingency within the budget. During underwriting based on plan and cost review, additional contingency may be required.

**THIRD PARTY REPORTS:** Borrower is required to supply a market study, appraisal, plan and cost review and/ or other reports required during underwriting. HCDD will accept these reports ordered by other financing parties with a reliance letter. Borrower is required to provide periodic monitoring reports on the Affordability Covenants on HCDD forms as well as periodic financial statements.

**ADVANCES:** Construction loan funding will be made no more frequently than monthly, with the construction loan funding based upon the percentage-of-completion for actual work-in-place as approved by HCDD and its construction consultant and meets all compliance requirements. Funds will be advanced towards eligible costs related to property acquisition and direct construction costs. Retainage of 10% will be held back until 30 days after completion of construction.

**COMPLIANCE STANDARDS:** Borrower acknowledges the required federal and local compliance obligations (Davis Bacon, Section 3 and MWSBE) outlined in the NOFA.

**WORKFORCE PROTECTION STANDARDS:** Borrower acknowledges the required Workforce Protection standards outlined in the Letter of Clarification 3 dated March 25, 2019. These additional standards included:

- Minimum pay standards of \$15 per hour of Federal prevailing wage for all individuals
- All individuals performing Project work have received OSHA 10 certification and at least one (1) on-site supervisor with OSHA 30 certification
- Workers' compensation coverage provided covering all site employees
- 10% of all work hours to be performed by apprentices sourced from a program certified by the Department of Labor
- 10% of all work hours to be performed by Section 3 residents
- Section 3 and apprenticeship level employees to be covered under the Pay or Play program
- Section 3 and apprenticeship level employees must be directly employed by a Project contractor

**PAYMENT AND PERFORMANCE BONDS OR BONDS:**

It is anticipated that the Contractor will provide payment and performance bonds during construction and a maintenance bond, provided by a surety with at least an AM best rating of "A," acceptable to HCDD in its sole discretion.

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Robert Gallegos Mike Laster Martha Castex-Tatum Mike Knox David W. Robinson Michael Kubosh Amanda Edwards Jack Christie  
Controller: Chris Brown

**BUSINESS CONDITIONS**

**PRECEDENT TO CLOSING:** Appropriate and customary conditions precedent to close for this type of transaction is listed in Schedule I as an addendum to this letter.

**EXPIRATION DATE:** This letter shall be accepted and signed within seven (7) business days of the date of the letter. After this time, the offer and terms of this letter shall become null and void. Acceptance is to be indicated by the return of a fully executed counterpart of this letter to HCDD.

It is my sincere pleasure to make this financing proposal to you. We look forward to your acceptance and to our developing relationship.

Sincerely,



Ray S. Miller  
Assistant Director

Agreed and Accepted on

October 30

, 2019

By (Signature)



Printed Name

Kathy A. Payne

Title

Pres CEO

Firm Name

Fifth Ward LLC

## **SCHEDULE I**

### **CONDITIONS TO CLOSING**

Customary for transactions of this nature and appropriate for this particular transaction, including but not limited to:

- All due diligence information and underwriting is subject to final review and approval by HCDD.
- A Phase I environmental survey dated within six months of the anticipated closing date. At the sole discretion of the HCDD, additional environmental due diligence may be required, including but not limited to a Phase II, asbestos and/or lead paint tests; HCDD will consider using an updated version of existing Phase I if acceptable to HCDD in-house environmental risk manager. Closing will not occur until HUD has issued its Authority to Use Grant Funds after a 30-day comment period has expired.
- Management agreement and management plan from an approved third party management company, prior to 2<sup>nd</sup> Tranche;
- Commitment for Title Insurance, issued by a title company acceptable to HCDD, covering the Project, together with the payment of premiums necessary for the title company to issue a Mortgagee's Policy of Title Insurance, with respect thereto, in the amount of the Loan, together with all endorsements thereto as required by HCDD;
- A market and feasibility study for the proposed construction of the Project prepared by an approved market consultant, prior to 2<sup>nd</sup> Tranche;
- A recent (within 30 days prior to closing) UCC search indicating that the Project is free and clear of all security interests (or will be at the time of closing);
- Borrower's amended and restated partnership agreement (or operating agreement, if applicable) and all notes, guarantees, and other instruments and agreements issued pursuant thereto, and all amendments and modifications thereto and thereof;
- Pro-forma operating statement for the Project;
- Survey of the Project;
- Evidence of fire, hazard, flood (as applicable), builder's risk, workman's compensation, and all other insurance as will be required by the HCDD's loan documents, each naming HCDD as loss payee or mortgagee;
- Receipt and review by HCDD of a final construction budget, a construction schedule and a draw schedule, together with a third-party plan and cost review performed by a third party acceptable to HCDD which shall, among other things, verify cost reasonableness and adequacy of the construction budget, prior to 2<sup>nd</sup> Tranche;
- Evidence of Borrower's and its general partner's and each Guarantor's due formation, organization, good standing, authorization to enter into the transaction contemplated by this letter and the HCDD's loan documents, and all other organizational documents and other items and matters required by the HCDD's loan documents;

Council Members: Brenda Stardig Jerry Davis Ellen R. Cohen Dwight A. Boykins Dave Martin Steve Le Greg Travis Karla Cisneros  
Robert Gallegos Mike Laster Martha Castex-Tatum Mike Knox David W. Robinson Michael Kubosh Amanda Edwards Jack Christie  
Controller: Chris Brown

- If applicable, a copy of the purchase agreement or ground lease of the Project and all landlord estoppel letters as may be required by HCDD;
- Opinions of counsel for Borrower, Guarantors, and such other persons and entities required by HCDD, and covering such matters as HCDD shall deem reasonably necessary or desirable in connection with the credit support transaction and as provided in the HCDD's loan documents;
- Current plans and specifications for the Project;
- The Architect's Contract, between Borrower and the Project's architect, together with an agreement from such architect, consenting to the assignment of the plans and specifications prepared by the architect to HCDD and providing for the subordination of all statutory and contractual liens and claims of the architect against the Project, prior to 2<sup>nd</sup> Tranche;
- General Construction Contract between Borrower and the Project's general contractor ("Contractor") (which shall be a fixed price/stipulated sum or guaranteed maximum price contract consistent with the budget approved by HCDD), together with an agreement from Contractor, consenting to the assignment of the general contract to HCDD, and providing for the subordination of all statutory and contractual liens and claims of the Contractor against the Project, prior to 2<sup>nd</sup> Tranche;
- Project Management Agreement between Borrower and the Project manager for the Project, prior to 2<sup>nd</sup> Tranche;
- A complete list of costs for the Project, enumerated on the appropriate AIA document(s), to include all hard (direct) costs. A Sources and Uses and/or flow of funds including all hard (direct) costs and all anticipated soft (indirect) costs. The cost breakdown should clearly indicate those line items to be funded by the Investor's equity and the timing thereof, prior to 2<sup>nd</sup> Tranche;
- All management contracts, operating agreements, franchise agreements, or other contractual arrangements affecting the operation of the Project. HCDD reserves the right to require that all such contracts and agreements be conditionally assigned by Borrower to HCDD, and to further, at the option of HCDD, require that such assignments be acknowledged by the contracting third parties, prior to 2<sup>nd</sup> Tranche;
- Evidence in the form of letters from the appropriate provider or from the Project engineer, that public water, sanitary and storm sewer, electricity, gas, and other required utilities are available to the Project (as clearly identified in said letters) and in quantities sufficient for the successful operation of the Project. All utility lines must enter the Project through adjoining public streets or, if passing through adjoining private land, do so in accordance with recorded public or private easements satisfactory in form and content to HCDD;
- Evidence that the Project and all planned improvements and intended uses will fully comply with all applicable deed restrictions, laws, regulations and copies of all building and grading permits, operating permits, licenses, consents and approvals, which building and grading permits, operating permits, licenses, consents and approvals, prior to 2<sup>nd</sup> Tranche;
- Review of the Borrower's Tenant Selection Policy, Actual Lease with Addendum, Affirmative Marketing Plan and Relocation Plan (if applicable), prior to 2<sup>nd</sup> Tranche;
- HCDD's loan documents executed and delivered by Borrower, guarantor and other required parties;

Council Members: Brenda Stardig Jerry Davis Ellen R. Cohen Dwight A. Boykins Dave Martin Steve Le Greg Travis Karla Cisneros  
 Robert Gallegos Mike Laster Martha Castex-Tatum Mike Knox David W. Robinson Michael Kubosh Amanda Edwards Jack Christie  
 Controller: Chris Brown



- If a conduit structure is utilized, Borrower must loan the funds to the Project owner and collaterally assign to HCDD, the Note, Deed of Trust and other documents relating to such loan and the Project owner must join in the documents.
- Such other financial information and other documents as shall be required by the HCDD's loan documents; and
- Each of the foregoing conditions precedent and all other conditions precedent set forth in the HCDD's loan documents shall be fully satisfied on or before closing of the 1<sup>st</sup> Tranche, or prior to the 2<sup>nd</sup> Tranche, if so indicated.

Council Members: Brenda Stardig Jerry Davis Ellen R. Cohen Dwight A. Boykins Dave Martin Steve Le Greg Travis Karla Cisneros  
 Robert Gallegos Mike Laster Martha Castex-Tatum Mike Knox David W. Robinson Michael Kubosh Amanda Edwards Jack Christie  
 Controller: Chris Brown

RE: Grant Approval & Payment Notification Request ID 53939071

From: Kathy Payton (kpayton@fifthwardcrc.org)

To: sheilamturner\_consultant@yahoo.com; vnguyen@fifthwardcrc.org; mbontemps@fifthwardcrc.org

Cc: Alan.C.Watkins@wellsfargo.com

Date: Wednesday, September 25, 2019, 01:38 PM CDT

Yay!!!! Big Kudos for your encouragement Alan!!!

**Thank you!**



**Kathy Flanagan Payton** | *President and CEO*

Tel: (713) 674-0175 | Fax: (713) 674-0176

**From:** Sheila Turner <sheilamturner\_consultant@yahoo.com>

**Sent:** Wednesday, September 25, 2019 12:29 PM

**To:** Kathy Payton <kpayton@fifthwardcrc.org>; Van Nguyen <vnguyen@fifthwardcrc.org>; Mayra Bontemps <mbontemps@fifthwardcrc.org>

**Subject:** Fw: Grant Approval & Payment Notification Request ID 53939071

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Yeah!! We got \$150k.

Sheila M Turner

Project Development

and Fundraising Consultant

281-460-7610

[Sent from Yahoo Mail for iPhone](#)

Begin forwarded message:

On Wednesday, September 25, 2019, 10:19 AM, [HousingPhilanthropy@cybergrants.com](mailto:HousingPhilanthropy@cybergrants.com) wrote:

Thank you for submitting an application to the Wells Fargo Housing Foundation's (WFHF) HP Priority Markets Program. The WFHF's Charitable Committee has approved a \$150,000.00 grant to fund FIFTH WARD COMMUNITY REDEVELOPMENT CORP's project as described in application.

Please be sure to read the email thoroughly as future funding is contingent upon meeting all program compliance requirements.

Legal compliance: This grant approval is subject to the following Terms and Conditions:  
[http://www.cybergrants.com/wellsfargo/docs/Wells\\_Fargo\\_Grant\\_Terms\\_and\\_Conditions.pdf](http://www.cybergrants.com/wellsfargo/docs/Wells_Fargo_Grant_Terms_and_Conditions.pdf)

By accepting or depositing the check sent by Wells Fargo, the organization is indicating acceptance of these Terms and Conditions. If there are any questions, or if additional assistance is needed, please contact [wfhf@wellsfargo.com](mailto:wfhf@wellsfargo.com) prior to cashing this grant check and use Request ID 53939071.

Also, within the next month, a separate email will be sent with notification that a HP Priority Markets Program Impact Report is required to be submitted on or before and prior to applying for additional HP Priority Markets Program support.

Recognition for this grant, use the following: Wells Fargo Housing Foundation. Please note this includes all publicity and that any use of the Wells Fargo (WF) name or its trademarks must be in accordance with WF guidelines and approved by the appropriate, internal WF officer.

Distribution of funds: Check number 0239738 dated 09/25/2019 has been issued for the grant referenced below and should be expected within 2 to 3 weeks.

Total Grant Amount: {Grant Amount}

Payment Amount: \$150,000.00

Payment ID#: 57133887

Payee Name: FIFTH WARD COMMUNITY REDEVELOPMENT

Payee Address: 4300 LYONS AVE STE 300, HOUSTON, TX 77020-2569

Organization Contact/Notification Information: Kathy Payton, President/CEO of Fifthward Community Redevelopment Corp. [kpayton@fifthwardcra.org](mailto:kpayton@fifthwardcra.org)

Congratulations for being selected and the Wells Fargo Housing Foundation (WFHF) wishes the organization continued success!

If there are any questions regarding payment, please reach out to [wffound@wellsfargo.com](mailto:wffound@wellsfargo.com).

For any questions regarding the HP Priority Markets Program, please reach out to the applicable, local Wells Fargo contact.

If additional assistance is needed on compliance items or other questions arise, please contact the WFHF at [WFHF@wellsfargo.com](mailto:WFHF@wellsfargo.com) /612-667-5131 (Option 0).

NOTE: Please do not reply to this email as it is sent from a generic mailbox and responses will not be received or acknowledged.

CG/JMAIL/164572377



# FOSS BRIDGE CREDIT, LLC

**Confidential**

## **Proposal for Historic Tax Credit Bridge Loan**

August 6, 2018

Mr. Tim Cantwell  
Cloudbreak Development, LLC  
733 S. Hindry Ave.  
Inglewood, CA 90301

RE: St. Elizabeth Hospital Building – Houston, TX

Dear Mr. Cantwell:

**Proposed Transaction:**

The Borrower is in the process of converting the existing St. Elizabeth Hospital located at 4514 Lyons Place in Houston, TX into 87 units of affordable and market rate rental apartments (the “Project”). Renovation work is expected to begin in January 2019 and construction will be completed in April 2020. The financing for such activities includes the syndication of \$4,280,296 of 2020 Texas Historic Preservation Tax Credits (the “Texas Tax Credits”) to Foss Texas Fund, LLC (“Foss”). The total Texas Tax Credit proceeds expected to be contributed by Foss are \$3,916,470. Pending the receipt and acceptance by Bridge Lender of all required due diligence materials and closing documents, Bridge Lender is willing to provide bridge loan financing related to the Tax Credits, in the form of a loan facility intended to be repaid from the capital/equity contributions (“Capital Contributions” or “Proceeds”) of Foss and the Federal Investor.

**Borrower:**

St. Elizabeth Place LP and/or other entities as necessary to oblige the tax credit structure (the “Borrower”).

**Guarantors:**

Cantwell Anderson, Inc.; and other such individuals or entities as may be determined during the Due Diligence Period.

**Lender:**

Foss Bridge Credit, LLC (the “Bridge Lender”).

**Loan Facility:**

The lesser of \$3,524,823 or ninety percent (90%) of the tax credit equity being bridged (the “Credit Facility”). Final amount of Credit Facility will be reduced by an amount equal to any tax credit equity proceeds that are (a) contributed prior to project completion, (b) pledged or used for any purpose other than repayment of the Credit Facility, or (c) contingent upon Project stabilization. See Exhibit A for a sample bridge loan sizing calculation.

**Use of Proceeds:**

Proceeds of the Credit Facility shall be used solely for qualified rehabilitation costs associated with the Project.

**Maturity Date:**

The first to occur of (a) 18 months from the closing date or (b) receipt of sufficient Proceeds from the Tax Credits to pay the Credit Facility in full. Mandatory principal payments shall be made when and as Capital Contributions and Proceeds are due from Foss and the Federal Investor. Additional term may be

granted by the Bridge Lender in the event that the final transaction structure, as approved by the Bridge Lender, contemplates that Foss's Capital Installment is not to be fully paid until more than 18 months after closing.

**Interest Rate:**

5.75%, fixed. Interest payments shall be made monthly until the maturity date, at which point all principal and outstanding interest shall be due. Bridge Lender will establish an interest reserve (the "Interest Reserve") from the loan proceeds sufficient to pay all projected interest payments through the Maturity Date.

**Origination Fee:**

2%

**Disbursements:**

Bridge Lender requires that the development sources and uses at all times be in balance, and accordingly, that all Borrower equity required for the rehabilitation be funded and disbursed prior to draws on the Credit Facility. Thereafter, Bridge Lender requires that the Credit Facility be advanced on at least a pro rata basis with other sources of debt financing. Bridge Lender may, in its discretion, approve disbursement of the Credit Facility on a more accelerated disbursement schedule (including full disbursement of the Credit Facility ahead of disbursement of other debt financing).

**Prepayment Penalty:**

The Credit Facility may be prepaid by the Borrower, in whole or in part without penalty during the term of the loan.

**Amortization:**

None.

**Security Interest:**

The Credit Facility shall be secured by, in the Bridge Lender's discretion, any or all of the following: (1) a first priority Assignment of Capital Contributions and Proceeds, (2) a first priority Assignment of the sponsor's or its affiliate's managing member or general partner interest in Borrower, including rights to distributions, credits and all other ownership interests, (3) a power of attorney (or similar rights) from the Borrower, allowing, but not requiring, after an event of default during the continuance thereof, Bridge Lender to take action on Borrower's behalf to complete rehabilitation of the Project in a manner consistent with all historic approvals, and make all required filings necessary to obtain the State Tax Credits and Federal Tax Credits, and (4) any other security reasonably requested by the Lender.

**Financial Covenants:**

None.

**Due Diligence:**

The Bridge Lender will need as part of necessary due diligence, and as a condition to making the Credit Facility available, the following, but not limited to:

- (i) Appraisal including a Market and Feasibility Study and a valuation of the Tax Credits;
- (ii) Borrower, Managing Member, Sponsor and Guarantor Financial Statements and Tax Returns;
- (iii) Phase I and Phase II environmental reports including asbestos and lead paint remediation plan;
- (iv) Part I and Part II of federal historic tax credit application, including a list of any/all imposed conditions;

- (v) Any State Tax Credit award letter or other documentation required as a prerequisite to qualifying and/or claiming the Tax Credits, together with a list of all imposed conditions, if applicable;
- (vi) Term Sheet from Federal Investor;
- (vii) Copy of Developer's Agreement;
- (viii) Owner's Title Insurance Commitment for fee owner of Project (or leasehold commitment if Borrower is master tenant), plus, if a second position Mortgage (or Deed of Trust) is required by Bridge Lender, a Lender's Title Insurance Commitment;
- (ix) Evidence that Borrower has closed with Construction Lender;
- (x) The Borrower closing on the Construction Loan, the terms of which are satisfactory to Bridge Lender;
- (xi) Borrower has entered into either a Stipulated Sum or a Guaranteed Maximum Price contract with a General Contractor approved by Lender;
- (xii) General Contractor has provided a Payment & Performance Bond with a penal sum (bond amount) equal to the stipulated sum or guaranteed maximum price of the construction contract. Such P&P Bonds shall be from a surety and in a form acceptable to Bridge Lender. Bridge Lender shall be named as an additional beneficiary under the P&P Bonds;
- (xiii) The Borrower and all related entities obtaining all necessary approvals and making all necessary filings to obtain the Tax Credits;
- (xiv) The receipt of insurance coverage for the Project acceptable to Bridge Lender;
- (xv) The Borrower receiving all necessary permits and approvals required with respect to the Project;
- (xvi) Development of mutually agreed upon controls with respect to advances and disbursements of Credit Facility proceeds;
- (xvii) Bridge Lender and Construction Lender entering into an intercreditor agreement and subordination and non-disturbance agreement containing such terms and conditions acceptable to Bridge Lender, including the agreement of the Construction Lender not to foreclose on the Project and the right of the lenders to replace the General Contractor upon the default of the Borrower;
- (xviii) Any general information concerning the Borrower, the sponsor, the Project, and financing that has not already been provided to Bridge Lender, such as the following:
  - 1. Developer resume/biography;
  - 2. Previous Tax Credit Development Experience;
  - 3. Project Overview;
  - 4. Discussion and details of ownership structure for Project;
  - 5. Project timeline;
  - 6. Overall sources and uses for entire Project;
  - 7. Detailed breakdown of Tax Credits comprising bridge request;
  - 8. Identification and background/resume of general contractor;
  - 9. Identification and background/resume of architect;
  - 10. Any agreements with the city where the Project is located (e.g., development agreements, etc.);
- (xix) Evidence that Borrower (or any affiliate connected with the Project) is not in default on the Construction Loan or any other document relating to the financing, development, or construction of the Project; and
- (xx) Other items as requested during further review.



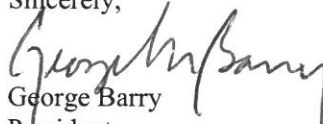
**Expenses:**

The Borrower shall reimburse Foss Bridge Credit, LLC and its participants for all reasonable out-of-pocket legal and documentation expenses incurred in connection with the transaction.

This is a form of terms that may lead to a commitment to lend upon further review and a subsequent Commitment Letter. Acceptance below assures Foss Bridge Credit, LLC of their exclusive consideration as "Bridge Lender" for the Tax Credits in exchange for the expense in time and travel of the proposed due diligence. This Summary of Principal Terms will expire if not signed by 20 DAYS FROM ISSUANCE.

Thank you for the opportunity to be of service to you.

Sincerely,

  
George Barry  
President  
Foss Bridge Credit, LLC

Accepted this \_\_\_\_ day of \_\_\_\_\_, 2018

**St. Elizabeth Place, LP**

**By:**

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Guarantors:**

\_\_\_\_\_

# WALKER & DUNLOP

April 8th, 2019

Mr. Randy Bishop  
Cantwell Anderson  
414 S. Marengo  
Pasadena, CA 91101

**Subject: St. Elizabeth Place  
4514 Lyons Avenue  
Houston, TX 77020**

Dear Mr. Bishop:

Walker & Dunlop is pleased to provide you with this Term Sheet for the Construction and Permanent financing of the St. Elizabeth Place affordable housing project. The following terms and conditions were based upon a preliminary review of the Borrower's 2018 TDHCA Housing Tax Credit Application:

**Construction Loan:**

<b>Borrower:</b>	St. Elizabeth Place LP
<b>Collateral:</b>	The Subject Loan shall be secured by a first mortgage lien and an assignment of rents and leases on the 85-unit LIHTC project to be located in Houston, Texas. Additionally, the Loan shall be secured by an Assignment of the General Partner Interest and Deferred Developer's Fee.
<b>Amount:</b>	Up to \$19,000,000. The Loan amount shall be limited to 80% of the LIHTC Investment Value, which is the combined value of the Tax Credits plus the stabilized value of the Real Estate based upon an Appraisal acceptable to the Bank.
<b>Interest Rate:</b>	1-month Libor + 3.00%. Interest-only payments shall be due monthly.
<b>Fees:</b>	1% Origination Fee. Additionally, the Borrower shall be responsible for the reimbursement of other costs related to the extension of this loan including, but not limited to third parties, legal fees, loan application fee, Freddie Mac fee and deposits thereof.
<b>Maturity:</b>	Twenty-four (24) Months from Closing with a six-month extension at W&D's option.
<b>Guarantee:</b>	Completion guarantee and environmental indemnity by Cantwell-Anderson, Inc, satisfactory to Walker & Dunlop. Non-recourse regarding the repayment guarantee.
<b>Tax Credit Equity:</b>	Approximately \$13,348,665. Equity pay in schedule and investor must be acceptable to Walker & Dunlop.

<b>Repayment:</b>	Construction loan will be repaid from equity funded at completion or after completion, along with the Freddie Mac forward rate lock permanent loan
<b>Loan to Value:</b>	Up to 80% including the value of the real estate and tax credits.
<b>Conditions to Closing:</b>	<ul style="list-style-type: none"><li>• Borrower, Managing Member, and Guarantor certify that there are no defaults, no material litigation and no material adverse change in the financial or project information provided to W&amp;D in connection with the Loan request</li><li>• Receipt, review and approval of appraisal, environmental assessment, construction consultant and other third-party reports.</li><li>• Contractor shall be acceptable to Walker &amp; Dunlop</li><li>• All documentation satisfactory to W&amp;D and its legal counsel</li><li>• Evidence of a commitment by a tax credit investor acceptable to W&amp;D for the acquisition of 9% low income housing tax credits on terms, including pay-in schedule amounts and timing, acceptable to W&amp;D.</li><li>• All subsidy funds must be committed and closed simultaneously with the closing of the Loan.</li><li>• Final project budget to be approved by W&amp;D, including a 5% hard cost contingency.</li><li>• Receipt of all required municipal and other governmental approvals.</li><li>• Approval of current financial statements of the Guarantor.</li><li>• Borrower counsel opinion in form and content satisfactory to W&amp;D.</li><li>• Mortgage title insurance policy insuring the bank's lien shall contain no objectionable liens, including matters of the survey</li><li>• W&amp;D shall receive and approve the following items prior to the closing of the construction loan:<ul style="list-style-type: none"><li>◦ Final plans and specs stamped by architect</li><li>◦ Copy of construction contract and final budget</li><li>◦ Copy of builders' risk policy with W&amp;D named as loss payee</li><li>◦ Copy of recorded limited partnership and syndication agreements</li></ul></li></ul>

**Permanent Loan:**

Provided that there are no events of default, the Borrower has the option of securing a Freddie Mac forward rate lock upon the conversion of the W&D Construction Loan to a Permanent Loan; provided that: 1) the Construction Loan has been Paid down to the Perm Loan Amount; 2) the Property has achieved a minimum occupancy of 90% for 90 days; and 3) the Property has achieved a Pro Forma Debt Service Cover Ratio of 1.15.

<b>Amount:</b>	Up to \$7,000,000. The Loan amount shall be limited to 80% of the stabilized value of the Real Estate based upon an Appraisal acceptable to the W&D.
<b>Interest Rate:</b>	Fixed rate based on the 10 Year Treasury + 2.90 bps for a 24-month forward rate lock.
<b>Loan Fee:</b>	1% of the permanent loan payable at conversion to permanent loan as well as any required third-party report updates and Bank legal fees.
<b>Loan Term:</b>	Fifteen (15) years.
<b>Amortization:</b>	Thirty-five (35) years.
<b>Recourse:</b>	Non-recourse to the borrower aside from standard carve-out's.
<b>Prepayment:</b>	Yield maintenance through year 10, then step down.

We are very pleased to have the opportunity to work with you on this transaction. Please let us know if you have any further questions with the enclosed.

Sincerely,



Geoffrey C. Arrobio  
Senior Vice President  
Ph: (310) 601-7605  
garrobio@walkerdunlop.com

#### BORROWER ACCEPTANCE

The undersigned Borrower hereby accepts all the terms and conditions contained herein and requests that Lender proceed with the processing and underwriting of the Loan. We agree to provide you with any additional documentation requested to complete the requirements for processing.

The undersigned also authorizes Lender to obtain a credit report from an independent credit reporting agency with regard to all of the undersigned's personal and/or business credit. The undersigned also authorizes Lender to gather whatever additional information is considered necessary from affiliates of Lender for the evaluation of this loan request. The undersigned also agrees to cooperate fully with the credit reporting agency.

St. Elizabeth, LP

  
\_\_\_\_\_  
Randy Bishop, CFO

4/8/19  
\_\_\_\_\_  
Date

4300 Lyons Avenue, Suite 300

Houston, TX 77020

[FWCRC](#) | [Facebook](#) | [Instagram](#)

**From:** Fifth Ward Community Redevelopment Corporation <[dgoss@fifthwardcrc.org](mailto:dgoss@fifthwardcrc.org)>

**Sent:** Tuesday, November 19, 2019 4:52 PM

**To:** Mayra Bontemps <[mbontemps@fifthwardcrc.org](mailto:mbontemps@fifthwardcrc.org)>

**Subject:** Notification of Intent to Apply for Brownfields Cleanup Grant

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**Notification of Intent to Apply for Brownfields Cleanup Grant**

**EPA-OLEM-OBLR-19-07**

**St. Elizabeth Hospital**

**4514 Lyons Avenue, Houston, TX 77020**

**Lots 1 thru 10 Block 117 & Lots 1 thru 10 & TR A Block 121**

**November 19, 2019**

In accordance with Environmental Protection Agency (EPA) regulations for Community Notification, Fifth Ward Community Redevelopment Corporation (CRC) hereby provides information relating to environmental investigative and remedial activities to be conducted at the above referenced site.

A copy of this grant application, including the Analysis of Brownfield Cleanup Alternatives (ABCA) draft, is available for public review and comment at 4300 Lyons Avenue, Suite 300, Houston, TX 77020 daily between the hours of 9 am and 5 pm until November 22, 2019.

In addition, a public meeting will be held on

**Monday, November 25, 2019 at**

**6 pm at 4300 Lyons Avenue, Suite 300, Houston, TX 77020**

to review, discuss and comment on the draft application and ABCA.

For additional information, please contact Mayra Bontemps, Chief Real Estate Officer, at [mbontemps@fifthwardcrc.org](mailto:mbontemps@fifthwardcrc.org) or (713) 674-0175 ext. 113.

Company Name |



Fifth Ward Community Redevelopment Corporation | 4300 Lyons Ave., Suite 300, Houston, TX 77020

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Houston's Fifth Ward Community Redevelopment Corporation @5thWardCRC

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3 Comments

Like Comment Share

- Most Relevant ▾
- Tracy Stephens** What's the name and address of the Brownsfield property and what type of contamination?

Like · Reply · 1w
- Houston's Fifth Ward Community Redevelopment Corporation** Tracy Stephens thank you for the comment! To clarify, we are seeking funding from the EPA Brownfields program to assist with the abatement of asbestos in building materials.

Like · Reply · 1w

4.7 4.7 out of 5 · Based on the opinion of 25 people

Community See All

- Invite your friends to like this Page
- 2,665 people like this
- 2,811 people follow this
- Lynn Ellis and 6 other friends like this or have checked in
- 1,566 check-ins

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- Cheryl Constantine A...
- Kristen Hilary Fort 6h
- Stacy Perry 15h
- Bill King 58m
- Greg Burris 25m
- Mayra Guevara Bont...
- Savanna Venne-Wr...
- Barbara Kirkpatrick
- Kim-Brusatori TheVillagelac
- Christina Pate 5h
- Nathan Eluyemi 4h
- GROUP CONVERSATIONS
- Kristen, Ben





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3 Comments

Like Comment Share

Most Relevant

Write a comment...

**Tracy Stephens** What's the name and address of the Brownsfield property and what type of contamination?

Like · Reply · 1w

**Author**  
**Houston's Fifth Ward Community Redevelopment Corporation** Tracy Stephens thank you for the comment! To clarify, we are seeking funding from the EPA Brownfields program to assist with the abatement of asbestos in building materials.

Like · Reply · 1w

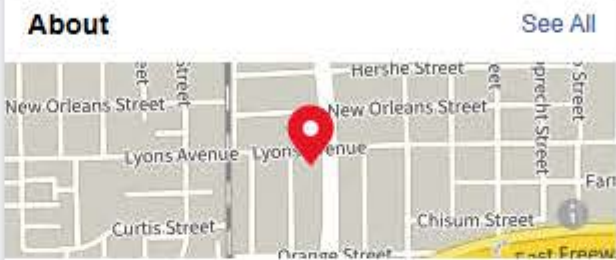
**Orison Bolden** I agree with you Mr Stephens. I live in 5th Ward.

Like · Reply · 1w

**Houston's Fifth Ward Community Redevelopment Corporation**  
13 hrs ·

Early voting has begun in the 2019 runoff election for mayor and several other local citywide races in Houston.  
The polls are open as follows:  
Dec 2 - 7: 7am - 7pm  
Dec 8: 1pm - 6pm... See More

1,566 check-ins



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**Team Members**  
Deshara Goss

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- Ben Turner 5h
- Cheryl Constantine A...
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**Houston's Fifth Ward Community Redevelopment Corporation**

Published by Deshara Goss · November 19 at 11:08 AM ·

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EPA-OLEM-OBLR-19-07

St. Elizabeth Hospital

4514 Lyons Avenue, Houston, TX 77020

[2 Comments](#)

**Houston's Fifth Ward Community Redevelopment Corporation**

**3**

Likes, Comments & Shares

**0**

Likes

**0**

On Post

**0**

On Shares

**3**

Comments

**3**

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**0**

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**0**

Shares

**0**

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On Shares

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Post Clicks

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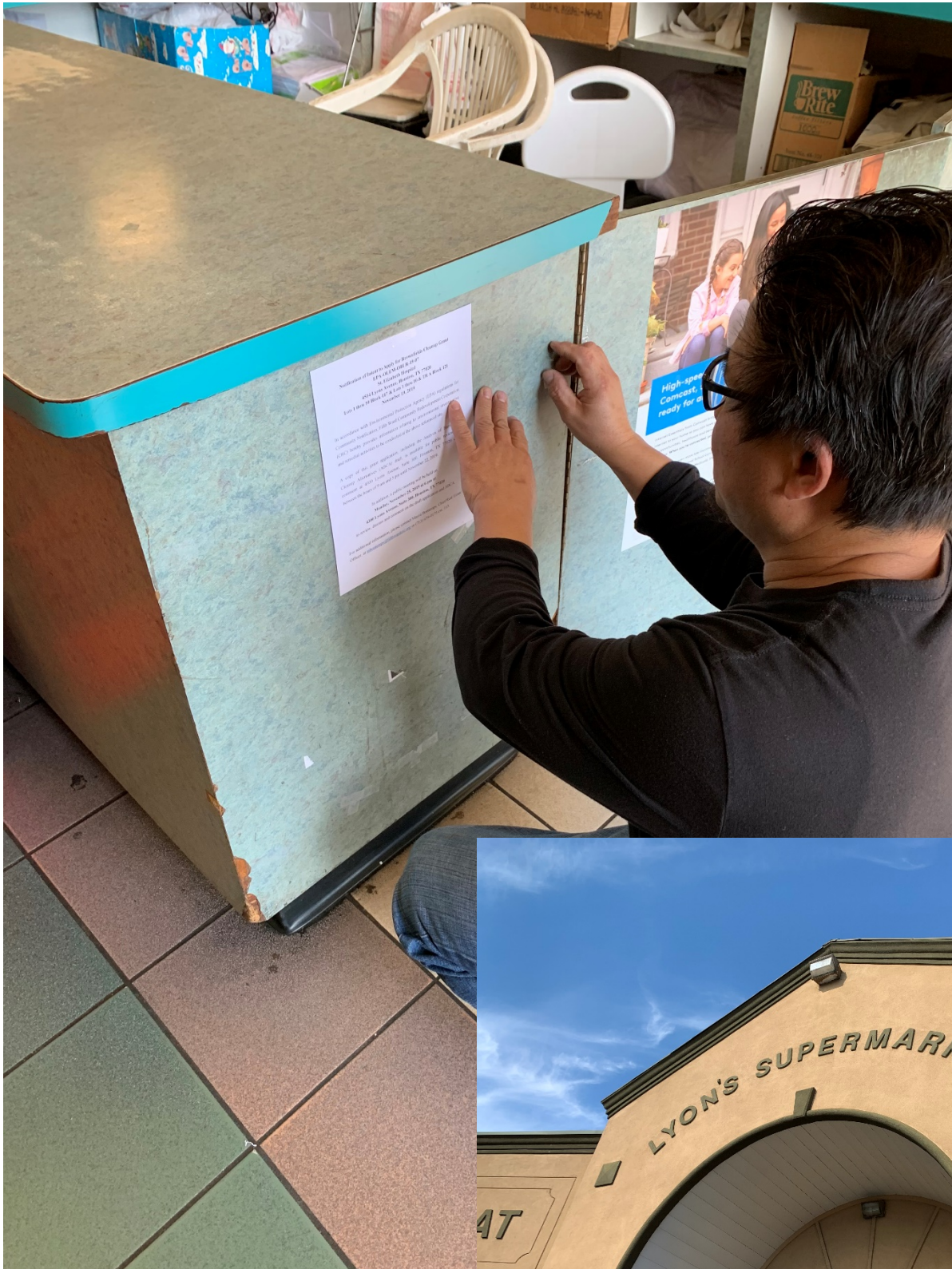
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# Community Business Owner of Lyon's Supermarket Posting Community Notification







Notification of Intent to Apply for Brownfields Cleanup Grant  
EPA-OLEM-OBLR-19-07  
St. Elizabeth Hospital  
4514 Lyons Avenue, Houston, TX 77020  
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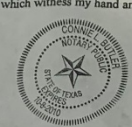
**TRESPASS AFFIDAVIT**  
(BUSINESS OR COMMERCIAL PROPERTY)

My name is Kathy Paylor, I am the owner of the property located at 4300 Lyons Ave, Houston, TX  
(Printed Name) (Street Address)

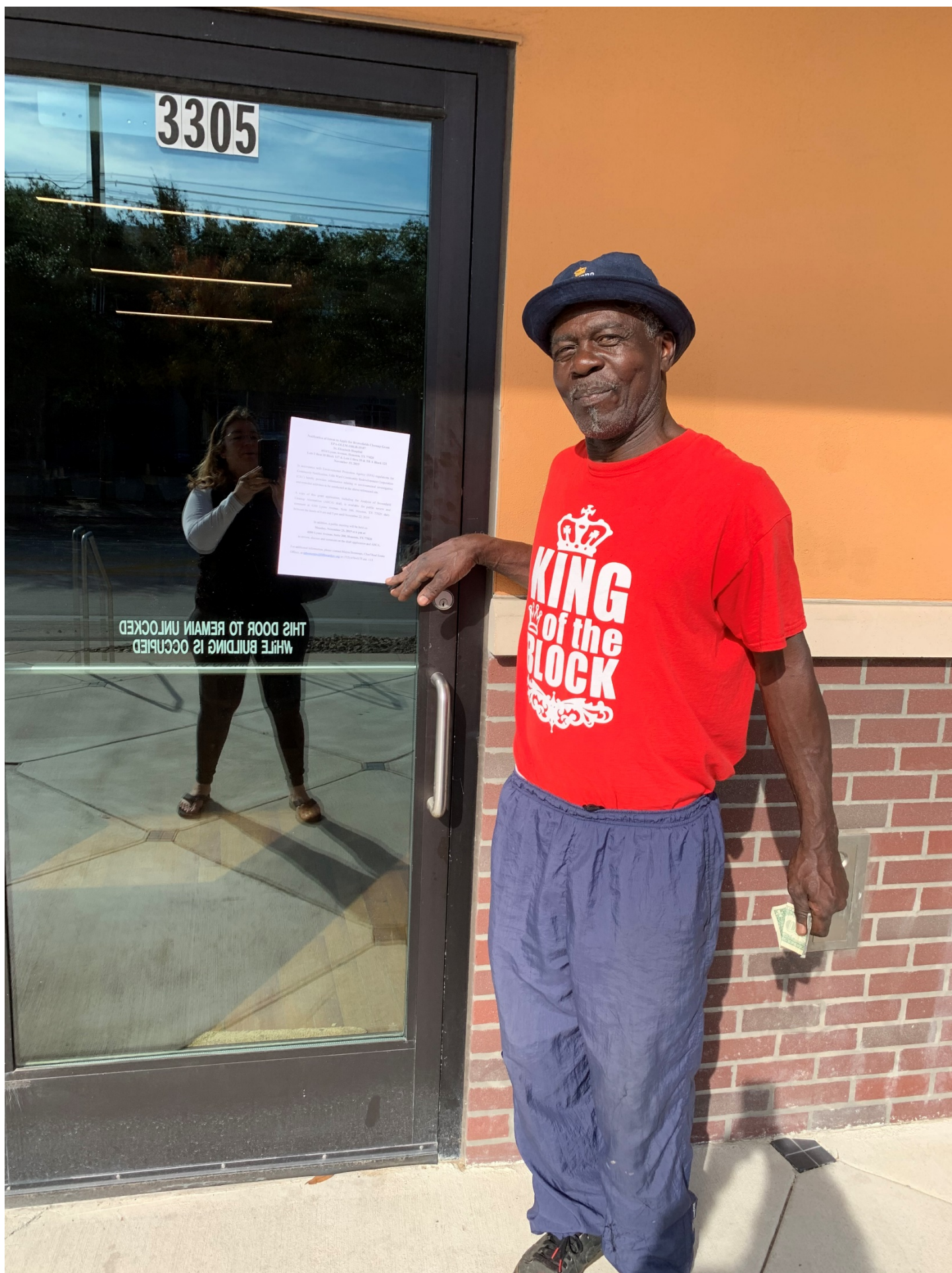
I hereby request and authorize the HOUSTON POLICE DEPARTMENT to enforce all applicable trespass laws at the said location and, in my absence, to enforce all applicable trespass laws at the above referenced property. I further request that on my behalf the HOUSTON POLICE DEPARTMENT request all persons who are not patrons in the neighborhood to immediately leave the property or be arrested pursuant to Section 24.01 of the Texas Penal Code. "NO TRESPASSING" signs have been posted throughout the property. In addition, I, or my designee, will cooperate fully in the prosecution of any violation of any local or state law.

My business address is 4300 Lyons Ave, Suite 300, Houston, TX  
713-674-0175

(Signature)  
Subscribed and sworn to before me on this the 28th day of November, 2019.  
I certify which witness my hand and seal of office.

  
NOTARY PUBLIC  
THE STATE OF TEXAS







**St. Elizabeth's Hospital - SIGN IN SHEET**  
**EPA Clean Up Grant**

NO.	NAME	ORGANIZATION/ ADDRESS	PHONE	EMAIL
01				
02				
03				
04				
05				
06				
07				
08				
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13				
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15				



**St. Elizabeth's Hospital**  
**EPA Public Comment – 11/25/19**

**DAY OF MEETING**

**11.25.19**

**6:00 pm at 4300 Lyons Avenue**

# St. Elizabeth's Hospital - SIGN IN SHEET

## EPA Clean Up Grant

NO.	NAME	ORGANIZATION/ ADDRESS	PHONE	EMAIL
01	John Turner		832-978-6418	john.turner@st-elizabeths.com
02				
03				
04				
05				
06				
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08				
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13				
14				
15				



# FIFTH WARD COMMUNITY REDEVELOPMENT CORPORATION

ST. ELIZABETH

*Abating and preserving a significant historical  
community asset*



# ST. ELIZABETH PLACE

## VISION

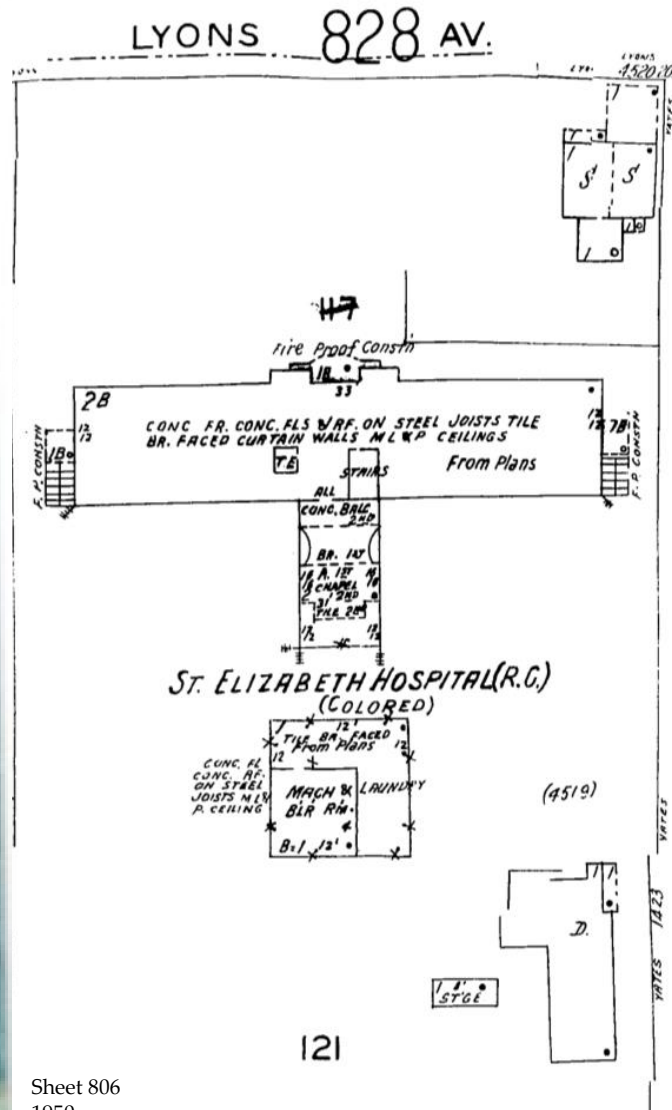
Fifth Ward Community Redevelopment Corporation (FWCRC) aims to repurpose and preserve the beauty and historical significant of St. Elizabeth Hospital thereby create a transformational development for Fifth Ward on the Lyons Avenue corridor.

## MEETING PURPOSE

To provide information to the 5<sup>th</sup> Ward community of the need for Fifth Ward CRC to submit an application for a 2020 Cleanup grant from the Environmental Protection Agency. If awarded, the grant would provide needed funds to clean up the St. Elizabeth site, and remove the site's hazardous materials, including lead and asbestos, from the community.

## RESULT

St. Elizabeth's historic structures will be preserved, rejuvenated, and thus save a major asset of African American heritage.



Sheet 806  
1950

## PRESERVING A PIECE OF FIFTH WARD HISTORY

### *The story of St. Elizabeth Hospital*

After the United States abolished slavery, black Americans continued to be marginalized through enforced segregated and diminished access to facilities, housing, education and opportunities. The 1940s in the City of Houston were no different. Only 175 hospital beds were set aside at that time in history for the county's black population. According to the Houston Chronicle, approximately 105,000 black Americans lived in Harris County, meaning that there was only one hospital bed for every 600 African-Americans. St. Elizabeth Hospital was built to expand medical care for Houston's African-American community. St. Elizabeth Hospital was the first hospital dedicated to serving black Americans in Harris County.

From a 1946 Chronicle article about the soon-to-be-completed hospital:

*Though a campaign was successful in getting funds for erection of a one-story hospital, the Sisters of the Immaculate Conception, who will operate the hospital, put themselves \$200,000 in debt to raise the structure to its current height.*



## PRESERVING A PIECE OF FIFTH WARD HISTORY

### *The story of St. Elizabeth Hospital, Continued*

Honoring the cultural significance of this once beautiful and proud structure, St. Elizabeth Hospital through historic preservation and art is safeguarding African American heritage and its profound cultural impact it had on the community of Fifth Ward. The hospital eventually closed in 1988. It was then converted to a residential treatment facility which was ultimately shut down in 2014. St. Elizabeth has remained vacant ever since.

To save the vacant and vandalized property from its deteriorating condition, the FWCRC, in April 2016, purchased the St. Elizabeth site to rehabilitate it so that it could once again serve the community.



Taken from the Aug. 30, 1959 Chronicle: "This is the new premature nursery to be seen at open house Sunday at opening of the new \$1,200,000 wing at St. Elizabeth's Catholic Hospital, 4514 Lyons. New facilities will increase capacity from 58 to 96 beds and offer expanded pediatric services."





## **ST. ELIZABETH'S HOSPITAL AND THE NEED FOR REMEDIATION**

*To date, there has been no environmental cleanup activities performed at the St. Elizabeth Site.*

### **ASSESSMENT FINDINGS**

Prior to taking ownership of the Site, the Fifth Ward Community Redevelopment Corporation (FWCRC) hired a Qualified Environmental Professional (QEP) to prepare an ASTM Phase I Report for the site, dated October 15, 2015. The Phase I identified one Recognized Environmental Condition (REC), which was a former underground storage tank (UST) used on site for fleet refueling. This 3,000-diesel underground storage tank (UST) was removed in 1995. A Phase II Report was conducted in June 2018 and included a geophysical survey to identify unregistered USTs associated with the former services station, and soil and groundwater sampling of the former UST location. The Phase II report, dated September 17, 2018, concluded that soil and groundwater beneath the site does not appear to be affected and no further investigation was warranted.

In addition to ASTM Standard due diligence, the Phase I Report included a visual screening of asbestos and lead-based paint. Based on visual observations and the age of the building, all Phase I reports recommended further testing for asbestos containing material (ACM) and lead-based paint (LBP).

### **WHAT IS ASBESTOS?**

Asbestos is any of six naturally occurring fibrous minerals found in certain types of rock formations. Of the six, the minerals chrysotile, amosite, and crocidolite have been most commonly used in building products. When mined and processed, asbestos is typically separated into very thin fibers. Because asbestos is strong, incombustible, and corrosion resistant, asbestos was used in many commercial products beginning early in the 1900s and peaking in the period from World War II into the 1970's. When inhaled or ingested, it has been determined that asbestos fibers can cause serious health problems.

### **WHAT IS LEAD-BASED PAINT?**

Lead was commonly added to paint until 1978. Lead can be absorbed through ingestion of lead-based paint or inhalation of lead dust. Excessive blood-lead levels can damage the brain and central nervous system. Exposure to lead can cause reproductive problems, high blood pressure, nerve disorders, muscle and joint pain, and memory and concentration problems. Lead is especially hazardous for children.



## **ST. ELIZABETH'S HOSPITAL IS A TREASURE WORTH PROTECTING**

### *Preserving African American Heritage*

Fifth Ward CRC is recommending Abatement by Removal. It is the only option that protects the community by removing human health hazards (asbestos and lead-based paint) from the building.

The Fifth Ward CRC has secured some funding toward abatement through the City of Houston's Housing and Community Development Community Development Block Grant (CDBG) funding program. An opportunity is now open for Fifth Ward CRC to apply for a 2020 EPA Cleanup Grant, up to \$500,000. If awarded, this grant will provide the remaining funds required for the abatement.

Fifth Ward CRC is asking the community of Fifth Ward to support the application and request of an EPA Cleanup Grant in the amount of \$500,000 to provide the remaining funding gap needed to begin and complete the remediation. The deadline for application of the grant is December 3, 2019.

On behalf of FWCRC, thank you so much for being present tonight, and for your participation in this EPA process.



**SPECIAL WARRANTY DEED WITH VENDOR'S LIENS**

**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER**

THE STATE OF TEXAS

§

KNOW ALL PERSONS BY THESE PRESENTS:

COUNTY OF HARRIS

§

§

THAT ABILITY INSURANCE COMPANY, a Nebraska insurance company (hereinafter referred to as "**Grantor**"), for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) cash and other good and valuable consideration in hand paid by 4514 LYONS LLC, a Texas limited liability company (hereinafter referred to as "**Grantee**"), whose address is 4300 Lyons Avenue, Suite 300, Houston, Texas 77020, the receipt and sufficiency of which is hereby acknowledged and confessed, has GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL and CONVEY unto Grantee (a) all that certain tract of land situated in Harris County, Texas, being more particularly described on **Exhibit "A"** attached hereto and made a part hereof for all purposes (the "**Land**"); (b) all right, title and interest of Grantor, if any, in and to (but without warranty whether statutory, express or implied) (i) any land lying in the bed of any street, road, avenue or alley, open or closed, in front of or adjoining the Land and in existence as of the date of this Special Warranty Deed with Vendor's Liens (the "**Deed**"), to the center line thereof, (ii) any and all appurtenant easements, rights of way, covenants and other rights affecting the Land and any of Grantor's rights to use the same; (iii) any and all rights of ingress and egress to and from the Land and any of Grantor's rights to use the same; (iv) all of Grantor's right, title and interest in and to any awards hereafter made or to be made in lieu thereof, and in and to any unpaid awards for damage thereto by reason of the change of grade of any such street, road, access way, or easement; (v) all strips or gores abutting, bounding or which are adjacent or contiguous to the Land (whether owned or claimed by deed, limitations or otherwise); (vi) any and all rights to the present or future use of wastewater, water capacity, drainage, water or other utility facilities to the extent same pertain to or benefit the Land, including without limitation, all reservations of or commitments or letters covering any such use in the future, whether now owned or hereafter acquired; all rights, if any, of Grantor in and to utility availability (including water, sanitary sewer and drainage) applicable to the Land, granted or made available by any city, municipal utility district, governmental authority or any other person or entity; and (vii) any and all reversionary rights and remainders appurtenant to the Land (collectively, the "**Property**").

TO HAVE AND TO HOLD the Property, together with the rights and appurtenances thereto belonging, unto Grantee and Grantee's successors and assigns, forever; and Grantor does hereby bind Grantor and Grantor's successors and assigns to warrant and forever defend the Property unto Grantee and Grantee's successors and assigns against every person whomsoever

lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise.

However, this conveyance is made subject to the liens securing standby fees, taxes and assessments by any taxing authority for the year 2016 and subsequent years (collectively, the "**Ad Valorem Taxes**"), as well as to all matters of record, if any, relating to the Property, but only to the extent the same are still in effect, shown of record in the hereinabove mentioned county and state and are enforceable against the Property. Ad Valorem Taxes for the year 2016 are prorated as of the date hereof and payment thereof is assumed by the Grantee.

The consideration for this Deed has been paid and is secured to be paid as follows:

- (a) Promissory Note (the "**CHC Note**") dated of even date herewith payable to the order of Community Housing Capital, Inc., a California non-profit public benefit corporation (the "**Lender**"), in the original principal amount of up to Two Million Four Hundred Fifty Thousand and No/100 Dollars (\$2,450,000.00), a portion of which funds advanced by the Lender are part of the purchase price for the Property, the CHC Note being secured by that certain Deed of Trust, Assignment of Leases, Security Agreement and Fixture Filing dated as of the date hereof executed by Grantee, wherein David U. Landis, II is named Trustee for the benefit of Lender, and additionally secured by a Vendor's Lien herein retained, and the same is hereby transferred and assigned to Lender by the Grantor, without recourse or warranty of any kind; and
- (b) Promissory Note (the "**Seller Subordinate Note**") dated of even date herewith payable to the order of Grantor in the original principal amount of Eight Hundred Thousand and No/100 Dollars (\$800,000.00), the Subordinate Note being secured by that certain Deed of Trust and Security Agreement dated as of the date hereof executed by Grantee, wherein Russell T. Gaines is named Trustee for the benefit of Grantor, and additionally secured by a subordinate Vendor's Lien herein retained.

But it is expressly agreed and stipulated that said Vendor's Liens, as well as the superior title in and to the Property, are retained in favor of Lender and Grantor and their respective successors and assigns upon the Property, to the extent funds advanced under the CHC Note and the Seller Subordinate Note are for a portion of the purchase price of the Property, until the CHC Note and the Seller Subordinate Note and all interest thereon, are fully paid according to its face and tenor, effect and reading, when this Deed shall become absolute. The priorities of the Vendor's Liens herein retained shall have the following ranking:

- (1) All liens securing the payment of the CHC Note; and
- (2) All liens securing the payment of the Seller Subordinate Note.

[SIGNATURE ON FOLLOWING PAGE]

EXECUTED on this the 4<sup>th</sup> day of April, 2016.

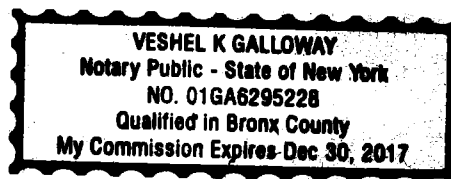
**ABILITY INSURANCE COMPANY,**  
a Nebraska insurance company

By: [Signature]  
Name: Kenneth King  
Title: CEO

STATE OF New York §  
COUNTY OF Westchester §

This instrument was acknowledged before me on the 4<sup>th</sup> day of April, 2016 by Kenneth King, CEO of Ability Insurance Company, a Nebraska insurance company, on behalf of said insurance company.

[Signature]  
Notary Public, State of New York



EXHIBIT

Exhibit A - Property Description

EXHIBIT "A"

LEGAL DESCRIPTION

[see attached]

Exhibit A

**SPECIAL WARRANTY DEED WITH VENDOR'S LIENS**

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THE STATE OF TEXAS                   §  
   §       KNOW ALL PERSONS BY THESE PRESENTS:  
COUNTY OF HARRIS                   §

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TO HAVE AND TO HOLD the Property, together with the rights and appurtenances thereto belonging, unto Grantee and Grantee's successors and assigns, forever; and Grantor does hereby bind Grantor and Grantor's successors and assigns to warrant and forever defend the Property unto Grantee and Grantee's successors and assigns against every person whomsoever

RP-2016-144199

RP-2016-144199  
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04/07/2016 09:15 AM  
e-Filed & e-Recorded in the  
Official Public Records of  
HARRIS COUNTY  
STAN STANART  
COUNTY CLERK  
Fees \$32.00

RECORDERS MEMORANDUM

This instrument was received and recorded electronically  
and any blackouts, additions or changes were present  
at the time the instrument was filed and recorded.

Any provision herein which restricts the sale, rental, or  
use of the described real property because of color or  
race is invalid and unenforceable under federal law.

THE STATE OF TEXAS  
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in  
File Number Sequence on the date and at the time stamped  
hereon by me; and was duly RECORDED in the Official  
Public Records of Real Property of Harris County, Texas.



*Stan Stanart*

COUNTY CLERK  
HARRIS COUNTY, TEXAS



## **EXHIBIT A**

### **Legal Description of Property**

#### **4514 Lyons Avenue, Houston, Texas**

A TRACT OF LAND CONTAINING 2.634 ACRES (114,730 SQUARE FEET), SITUATED IN THE HARRIS AND WILSON SURVEY, ABSTRACT NO. 32, IN HARRIS COUNTY, TEXAS, COMPRISING OF ALL OF LOTS 1 THROUGH 10, INCLUSIVE, BLOCK 117, AUGUSTA ADDITION RECORDED IN VOLUME 56, PAGE 139 OF THE HARRIS COUNTY DEED RECORDS (H.C.D.R.); ALL OF THAT LAND COMMONLY KNOWN AS LOTS 1 THROUGH 10, INCLUSIVE, BLOCK 121, AUGUSTA ADDITION, AN UNRECORDED SUBDIVISION, IN HARRIS COUNTY, TEXAS AND ALL OF THAT CERTAIN TRACT FORMERLY KNOWN AS FARMER AVENUE LOCATED BETWEEN SAID BLOCKS AND BOUNDED BY THE EAST LINE OF ST. ELIZABETH STREET (ALSO KNOWN AS DAN STREET) AND THE WEST LINE OF YATES STREET AS DESCRIBED IN QUITCLAIM DEED RECORDED IN VOLUME 1396, PAGE 161 H.C.D.R. SAID 2.634 ACRE TRACT ALSO BEING THAT SAME TRACT RECORDED IN HARRIS COUNTY CLERKS FILE BUMBER (H.C.C.F. NO.) RF865982 AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS: (BEARINGS ARE BASED IN H.C.C.F. NO. R865982)

BEGINNING at a 1/2 inch iron rod found at the intersection of the south right-of-way (R.O.W.) line of Lyons Avenue (60 feet R.O.W.) with the west R.O.W. Yates Street (60 feet R.O.W.) marking the northeast corner of said Block 117 and the herein described tract;

THENCE S 00 08 00 W, along with the west R.O.W. line of said Yates Street and the east line of the herein described tract, at 200.00 feet passing the southeast corner of said Block 117 and the north line of said Farmer Avenue tract as quitclaimed in the above reference deed, at 260.00 feet passing the northeast corner of said Block 121 and the south line of said Farmer Avenue and continuing for a total distance of 458.92 feet to a 3/8 inch capped iron rod found (Landtech) marking the southeast corner of said Block 121 and the herein described tract and the intersection of the west R.O.W. line of said Yates Street with the north R.O.W. line of Chisum Street (50 feet R.O.W.) from which an iron pipe found at South, a distance of 1.44 feet;

THENCE N 89 56 01 W, along with the south line of said Block 121 and the herein described tract and the north R.O.W. line of said Chisum Street, a distance of 250.00 feet to a 3/8 inch iron rod found (Landtech) marking the southwest corner of said Block 121 and the herein described tract and the intersection of the east R.O.W. line of St. Elizabeth Street (30 feet R.O.W.) with the north R.O.W. line of said Chisum Street;

THENCE N 00 08 00 E, along with the east R.O.W. line of said St. Elizabeth Street and the west line of the herein described tract, at 198.92 feet passing the northwest corner of said Block 121 and the south line of said Farmer Avenue, at 258.92 feet passing the southwest corner of said Block 117 and the north line of said Farmer Avenue and continuing for a total distance of 458.92 feet to a 1/2 inch capped rod found (Precision) marking the northwest corner of said Block 117 and the herein described tract and the intersection of the east R.O.W. line of said St. Elizabeth Street with the south R.O.W. line of said Lyons Avenue;

THENCE S 89 56 01 E, along with the north line of said Block 117 and the herein described tract and the south R.O.W. line of said Lyons Avenue, a distance of 250.00 feet to the POINT OF BEGINNING containing 2.634 acres of land.

## PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is executed to be effective as of January 8<sup>th</sup>, 2018 (the "Effective Date"), by and between ST. ELIZABETH PLACE LP, a to-be-formed Texas limited partnership, having an address at 4300 Lyons, Suite 300, Houston, Texas 77020 (together with its successors and/or assigns, "Buyer"); and 4514 LYONS LLC, a Texas limited liability company, having an address at 4300 Lyons, Suite 300, Houston, Texas 77020 (together with its successors and/or assigns, "Seller") (Buyer and Seller are collectively referred to as the "Parties", and each a "Party").

1. **Property.** On the terms herein set forth, Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, that tract of land located in Harris County, Texas, as more particularly described on Exhibit A, attached hereto and made a part hereof (the "Land"), together with all improvements, easements, appurtenances and rights thereunto belonging, including without limitation, all (a) roads, alleys, easements, streets and rights-of-way bounding the Land, (b) rights of ingress and egress to and from the Land (including without limitation, Seller's right, title and interest in and to all applicable cross-access and reciprocal easements and/or agreements), and (c) oil, gas and other minerals lying on or under the Land (collectively, the "Property").

2. **Purchase Price.** The purchase price of the Property shall be the greater of Four Million Six Hundred Thousand and 00/100 Dollars (\$4,600,000.00) or the appraised value determined by an appraiser mutually acceptable to the Parties (the "Purchase Price"), payable at Closing by Buyer.

3. **Title Company.** American Title Company of Houston, having an address at 440 Louisiana, Suite 1880, Houston, Texas 77002, Attn: Catherine L. York; Telephone: 713-651-1996 e-mail: cyork@barnesturner.com ("Title Company") will serve as the title company.

4. **Closing.**

a. **Delivery of Documents.** The conveyance of the Property and the closing of the transaction herein described (the "Closing") shall occur on or before December 31, 2018 (the "Closing Date"), in escrow at the offices of the Title Company; provided, however, Buyer may elect to close at any time upon five (5) days' prior written notice to Seller.

i. **Seller shall deliver at Closing:** (A) a special warranty deed conveying good, marketable and indefeasible fee simple title in and to the Property to Buyer (or its designee) (the "Deed"); (B) all easements necessary for the development and operation of the Property for its intended purpose; (C) a lien affidavit acceptable to the Title Company; (D) an affidavit of non-foreign status; (E) any other affidavit or document required by the Title Company to delete the so-called standard exceptions to the Owner's Policy of Title Insurance (the "Title Policy"); and (F) such other customary documents, instruments, certifications and confirmations as may be reasonably required to fully effect and consummate the transactions contemplated hereby and for the Title Company to issue the Title Policy in the form required by this Agreement.

ii. Buyer shall deliver at Closing: (A) the remaining balance of the Purchase Price as provided by this Agreement; and (B) such other documents, instruments, certifications and confirmations as may be reasonably required to fully effect and consummate the transaction contemplated hereby.

b. Prorations. Buyer and Seller shall prorate all real estate taxes, personal property taxes and all other assessments related to the Property as of the Closing Date, with the Closing Date being treated as a day of ownership by Buyer. If the final tax bill is not available at Closing, the real estate taxes, personal property taxes and all other assessments related to the Property shall be prorated based upon the latest available tax assessment for the Property, which proration shall be re-prorated outside of escrow when the actual taxes are determined.

c. Costs. Except as may otherwise be stated herein, each Party shall bear its own expenses, including its own attorneys' fees.

5. Miscellaneous.

a. Notices and Deadline Dates. Any notice, request, demand, instruction or other document to be given or served hereunder or under any document or instrument executed pursuant to this Agreement shall be in writing and shall be (i) delivered personally, (ii) sent by United States registered or certified mail, return receipt requested, postage prepaid, (iii) sent or by overnight express courier, postage prepaid, or (iv) sent by facsimile or electronically (e-mail), provided there is proof of delivery, each addressed to the Parties at their respective addresses set forth above, and the same shall be effective upon receipt if delivered personally, by overnight courier or by facsimile or electronically (with proof of delivery), or three (3) business days after deposit in the U.S. mail. A Party may change its address for receipt of notices by service of a notice of such change in accordance herewith. If any deadline under this Agreement falls on a Saturday, Sunday or legal holiday (which for purposes of this Agreement shall be not be considered a "business day"), the deadline shall be extended to the next business day.

b. Attorneys' Fees. In the event either Party brings an action at law or other proceeding permitted under the terms of this Agreement against the other Party in order to enforce or interpret any of the terms, covenants or conditions hereof or any instrument executed pursuant to this Agreement or by reason of any breach or default hereunder or thereunder, the Party prevailing in any such action or proceeding shall be paid all reasonable costs and expenses, including without limitation reasonable attorneys' fees, by the non-prevailing Party.

c. Binding Agreement. Seller may not assign this Agreement without the written consent of Buyer. Buyer may assign this Agreement or any interest herein without the written approval of Seller. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, legal representatives, successors and assignees. This Agreement constitutes the entire agreement between the Parties, and supersedes any and all prior agreements, arrangements and understanding between the Parties. This Agreement may only be amended by a written agreement executed by all of the Parties.

d. **BROKERS AND COMMISSIONS.** BUYER AND SELLER REPRESENT AND WARRANT TO EACH OTHER THAT NEITHER HAS DEALT WITH A BROKER, AGENT OR OTHER PERSON IN CONNECTION WITH THIS TRANSACTION.

e. **Effect of Termination.** This Agreement shall be void and of no further force and effect upon any proper termination under the terms hereof (other than terms herein that specifically provide that they survive termination of this Agreement).

f. **Multiple Counterparts.** This Agreement may be executed in one or more counterparts, and all so executed shall constitute one and the same agreement, binding upon the Parties, and notwithstanding that all of the Parties are not signatories to the same counterparts.

g. **Time of the Essence.** Time is of the essence of this Agreement and every provision hereof.

h. **CHOICE OF LAW. THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE UNITED STATES OF AMERICA AND THE INTERNAL LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO ITS CONFLICT RULES. VENUE AND JURISDICTION FOR ALL CLAIMS UNDER THIS AGREEMENT SHALL BE EXCLUSIVELY IN THE STATE OF TEXAS.**

i. **Severability.** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable, and this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement, a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as is possible.

j. **INDEPENDENT CONSIDERATION.** ONE HUNDRED AND 00/100 DOLLARS (\$100.00) SHALL PAID BY BUYER TO SELLER WHICH SHALL BE DEEMED INDEPENDENT CONSIDERATION AND NON-REFUNDABLE AND RETAINED BY SELLER UNDER ALL CIRCUMSTANCES, FOR AND IN CONSIDERATION OF SELLER'S EXECUTION OF THIS AGREEMENT.

k. **Complete Understanding.** This Agreement represents the complete understanding between the Parties as to the subject matter hereof and supersedes all prior negotiations, statements and agreements, either written or oral, between the Parties. No inducements, representations, statements or agreements have been made or relied upon in the making of this Agreement, except those specifically set forth in this Agreement. Neither Party has any right to rely on any other prior or contemporaneous statements and/or agreements made by anyone concerning this Agreement that are not set forth herein.

6. **Texas Disclosures.** By its signature to this Contract, Buyer hereby acknowledges its receipt of the following notices at or before the execution of this Contract:

a. Notice Regarding Possible Liability for Additional Taxes. If for the current ad valorem tax year the taxable value of the Property that is the subject of this Agreement is determined by a special appraisal method that allows for appraisal of the Property at less than its market value, Buyer may not be allowed to qualify the Property for that special appraisal in a subsequent tax year and the Property may then be appraised at its full market value. In addition, the transfer of the Property or a subsequent change in the use of the Property may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in the use of the Property. The taxable value of the Property and the applicable method of appraisal for the current tax year is public information and may be obtained from the tax appraisal district established for the county in which the Property is located.

b. Notice Regarding Possible Annexation. If the Property that is the subject of this Agreement is located outside the limits of a municipality, the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, Buyer should contact all municipalities located in the general proximity of the Property for further information.

c. Property Located in a Certificated Service Area of a Utility Service Provider. The Property may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If the Property is located in a certificated area there may be special costs or charges that Buyer will be required to pay before Buyer can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to the Property. Buyer is advised to determine if the Property is in a certificated area and contact the utility service provider to determine the cost that Buyer will be required to pay and the period, if any, that is required to provide water or sewer service to the Property.

7. Additional Condition to Closing.

Seller acknowledges the Property will be subject to the Texas Department of Housing and Community Affairs Declaration ("TDHCA") of Land Use Restrictive Covenants for Low-Income Housing Tax Credits ("LURA"), which will encumber the Property as an age restricted project. The LURA will require, among other things, compliance during the HOME Affordability Period (*i.e.*, twenty years from the date of project completion in accordance with the Cranston-Gonzalez National Affordable Act), and during the Extended Affordability Period (*i.e.*, an additional twenty years to the HOME Affordability Period) with certain occupancy, rent and other restrictions.

Beginning on the first business day after the Effective Date of this Agreement, Buyer shall be bound by and shall comply with the 2018 timeline established by the TDHCA for submission of an application for a reservation of housing tax credits ("HTCs"). Buyer shall provide Seller with reasonably satisfactory evidence it has submitted its application in a timely manner, and Buyer's failure to do so shall result in Seller having the right to terminate this Agreement pursuant

to the terms hereof. If Buyer fails to obtain a reservation of HTCs, Buyer may terminate this Agreement by delivering written notice of termination to Seller within thirty (30) days following TDHCA Board approval of the final ranking which evidences approval of funding for the project. In such event Buyer shall receive a full refund of all refundable Earnest Money.

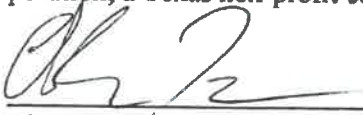
**[Signatures begin on the next page]**

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

**Seller:**


4514 LYONS, LLC, a Texas limited liability company

By: Fifth Ward Community Redevelopment Corporation, a Texas non-profit corporation

By:   
Charles Turner, Chairman of the Board

**Buyer:**

ST. ELIZABETH PLACE LP, a to-be-formed Texas limited partnership

By:   
Name: JESSICA THOMPSON  
Title: Authorized Representative



### TITLE COMPANY'S ACCEPTANCE AND RECEIPT

By signing this Acceptance and Receipt, the Title Company (a) acknowledges that it has received a copy of this Agreement executed by both Buyer and Seller, and (b) agrees to act as escrow agent hereunder.

AMERICAN TITLE COMPANY OF HOUSTON

By:

Name:

Catherine L. York

Title:

Escrow Officer

Date: January 8<sup>th</sup>, 2018

## EXHIBIT A

A TRACT OF LAND CONTAINING 2.634 ACRES (114,730 SQUARE FEET), SITUATED IN THE HARRIS AND WILSON SURVEY, ABSTRACT NO. 32, IN HARRIS COUNTY, TEXAS, COMPRISING OF ALL OF LOTS 1 THROUGH 10, INCLUSIVE, BLOCK 117, AUGUSTA ADDITION RECORDED IN VOLUME 56, PAGE 139 OF THE HARRIS COUNTY DEED RECORDS (H.C.D.R.); ALL OF THAT LAND COMMONLY KNOWN AS LOTS 1 THROUGH 10, INCLUSIVE, BLOCK 121, AUGUSTA ADDITION, AN UNRECORDED SUBDIVISION, IN HARRIS COUNTY, TEXAS AND ALL OF THAT CERTAIN TRACT FORMERLY KNOWN AS FARMER AVENUE LOCATED BETWEEN SAID BLOCKS AND BOUNDED BY THE EAST LINE OF ST. ELIZABETH STREET (ALSO KNOWN AS DAN STREET) AND THE WEST LINE OF YATES STREET AS DESCRIBED IN QUITCLAIM DEED RECORDED IN VOLUME 1396, PAGE 161 H.C.D.R. SAID 2.634 ACRE TRACT ALSO BEING THAT SAME TRACT RECORDED IN HARRIS COUNTY CLERKS FILE NUMBER (H.C.C.F. NO.) R865982 AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS: (BEARINGS ARE BASED IN H.C.C.F. NO. R865982)

BEGINNING at a 1/2 inch iron rod found at the intersection of the south right-of-way (R.O.W.) line of Lyons Avenue (60 feet R.O.W.) with the west R.O.W. Yates Street (60 feet R.O.W.) marking the northeast corner of said Block 117 and the herein described tract;

THENCE S 00 08 00 W, along with the west R.O.W. line of said Yates Street and the east line of the herein described tract, at 200.00 feet passing the southeast corner of said Block 117 and the north line of said Farmer Avenue tract as quitclaimed in the above reference deed, at 260.00 feet passing the northeast corner of said Block 121 and the south line of said Farmer Avenue and continuing for a total distance of 458.92 feet to a 3/8 inch capped iron rod found (Landtech) marking the southeast corner of said Block 121 and the herein described tract and the intersection of the west R.O.W. line of said Yates Street with the north R.O.W. line of Chisum Street (50 feet R.O.W.) from which an iron pipe found at South, a distance of 1.44 feet;

THENCE N 89 56 01 W, along with the south line of said Block 121 and the herein described tract and the north R.O.W. line of said Chisum Street, a distance of 250.00 feet to a 3/8 inch iron rod found (Landtech) marking the southwest corner of said Block 121 and the herein described tract and the intersection of the east R.O.W. line of St. Elizabeth Street (30 feet R.O.W.) with the north R.O.W. line of said Chisum Street;

THENCE N 00 08 00 E, along with the east R.O.W. line of said St. Elizabeth Street and the west line of the herein described tract, at 198.92 feet passing the northwest corner of said Block 121 and the south line of said Farmer Avenue, at 258.92 feet passing the southwest corner of said Block 117 and the north line of said Farmer Avenue and continuing for a total distance of 458.92 feet to a 1/2 inch capped rod found (Precision) marking the northwest corner of said Block 117 and the herein described tract and the intersection of the east R.O.W. line of said St. Elizabeth Street with the south R.O.W. line of said Lyons Avenue;

THENCE S 89 56 01 E, along with the north line of said Block 117 and the herein described tract and the south R.O.W. line of said Lyons Avenue, a distance of 250.00 feet to the POINT OF BEGINNING containing 2.634 acres of land.

# RECEIPT

Date: 1/8/2018

4514 Lyons LLC  
4300 Lyons Ave., Suite 300  
Houston, Texas 77020

St. Elizabeth Place LP  
4300 Lyons Ave., Suite 300  
Houston, Texas 77020

<i>Payment Method</i>	<i>Amount</i>	<i>Description</i>
Cash	\$100.00	Earnest Money



**FIFTH WARD  
COMMUNITY  
REDEVELOPMENT  
CORPORATION**

4300 Lyons Ave., Suite 300  
P.O. Box 21502  
Houston, TX  
77226-1502

Main 713-674-0175

Fax: 713-674-0176

<http://www.fifthwardcrc.org>

**Mission Statement**

A catalytic organization  
dedicated to the  
collaborative fostering  
of holistic community  
development.

**Chairman**

Charles Turner

**Trustees**

Gayla Bolden  
Harvey Clemons  
April Daniels  
Bridgette Dorian  
Bob Eury  
Ted Hamilton  
Wiley Henry  
Laura Nichol  
Bridgette Steele  
Marcus Vasquez  
Andrew Wright

**President/CEO**

Kathy Flanagan-Payton



Equal Housing Opportunity

To Whom This May Concern:

**Affirmative Statement**

The subject property located at 4514 Lyons Avenue meets the definition of an EPA Brownfield, as defined in CERCLA § 101(39) as real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of hazardous substances, pollutants, contaminants, controlled substances, petroleum or petroleum products, or is mine-scarred land.

This signed statement affirms that the property is not listed or proposed for listing on the National Priorities List; not subject to unilateral administrative orders, court orders, administrative orders on consent, or judicial consent decrees issued to or entered into by parties under CERCLA; and not subject to the jurisdiction, custody, or control of the U.S. government.

Kathy Payton  
President/CEO



## FIFTH WARD COMMUNITY REDEVELOPMENT CORPORATION

### Non-Discrimination and Affirmative Marketing Plan - General

#### Statement of Policy

Fifth Ward Community Redevelopment Corporation endeavor to ensure that eligible persons from all racial, ethnic and gender groups are given the opportunity to reside in the properties owned or developed by Fifth Ward CRC, participate in program offerings and benefit from goods and services made available through/by Fifth Ward CRC.

With respect to the treatment of clients, applicants and/or participants, Fifth Ward does not and shall not discriminate on the basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities or operations. These activities include, but are not limited to, hiring and firing of staff, selection of volunteers and vendors, and provision of services. We are committed to providing an inclusive and welcoming environment for all members of our staff, clients, volunteers, subcontractors, vendors, and clients. Reasonable accommodations will be offered to all disabled persons who request accommodations due to disability at any time during the application, resident selection and rent up process.

With Real Estate Development and Housing as a core line of business, Fifth Ward CRC agrees to maintain Affirmative marketing plans for each of its programs and developments.

#### Procedures

In accordance with the Fifth Ward CRC use and participation in federally funded programs and to comply with all applicable Federal Regulations, Fifth Ward CRC has adopted the following procedures to implement an Affirmative Marketing Plan:

##### 1. Dissemination of Information

Fifth Ward CRC will inform the public and potential clients, including but not limited to tenants about the affirmative marketing policy.

Fifth Ward CRC as applicable will:

- a) Use the HUD Equal Housing Opportunity logo in advertisements.
- b) Display fair housing posters in offices where clients are received.
- c) Develop and issue advertisements, press releases and public service announcements about the availability of opportunities/units for Low- and Very Low-Income families, and other underserved or under-represented populations or groups

- d) Coordinate efforts to inform minority owners of the Minority Business Development Agency and organizations of minority entrepreneurs.
- e) Coordinate efforts to inform female owners of local women's organizations.

Fifth Ward CRC works closely with the other local civic and community organizations representative of the ethnic and cultural diversity of the area in order to disseminate information it developments and programs. Groups representing the handicapped and the elderly will also be contacted. Where necessary, Fifth Ward CRC will publish its marketing materials in multiple languages in order to better reach potential applicants in the area with language limitations to ensure that the program offerings and units are affirmatively marketed to ensure that all eligible persons regardless race, color, national origin, religion, gender, disability, familial status or presence of children in a household:

1. Feel welcome to apply;
2. Know about the vacancies/opportunities and
3. Have the opportunity to purchase or rent homes, receive programmatic assistance, repair services, emergency financial assistance as applicable.

#### Record-Keeping and Assessment of Efforts

Fifth Ward CRC will keep track of data and submit reports that contain data on income, family size and ethnicity of families participating in programs and or residing in their units. The reports must also describe efforts made to solicit participation from under represent populations.

Fifth Ward CRC shall establish and maintain an Affirmative Marketing file to hold advertisements, flyers, and other public information documents to demonstrate that the appropriate logo and language have been used. Additionally, we shall keep records of our activities in implementing the affirmative marketing plan, including other community outreach efforts and its annual analysis.

Fifth Ward CRC shall keep up-to-date records based on census data, applications, and surveys about community residents, applicants, residents of projects, and records about approval or rejection as applicable.

Fifth Ward CRC will review the Affirmative Marketing Plan every five years and update as needed to ensure compliance. The advertising sources will be included in the review to determine if past sources should be changed or expanded.



# DRAFT - ANALYSIS OF BROWNFIELDS CLEANUP ALTERNATIVES

ST. ELIZABETH'S PLACE REHABILITATION  
4512 LYONS AVENUE  
HOUSTON, TEXAS

PREPARED BY FIFTH WARD COMMUNITY REDEVELOPMENT CORPORATION  
November 19, 2019

## I. INTRODUCTION AND BACKGROUND

### a. Site Location

The site is located at 4514 Lyons Avenue, Houston, Harris County, Texas 77020 (herein referred to as "the Site").

### b. Previous Site Use(s) and any previous cleanup/remediation

Built in the 1947 (completed in 1953) in a racially segregated Houston, St. Elizabeth's Hospital was the first hospital dedicated to serving African Americans in Harris County and was a symbol of neighborhood stability during its operation. Honoring the cultural significance of St. Elizabeth's Hospital through historic preservation and art is fundamental to its impact on today's community and to preserving the authentic identity and African American heritage of the neighborhood. The hospital closed in 1988 and was converted to a residential treatment facility in 1996. The treatment center closed in 2014 and the property has remained vacant since. The Fifth Ward Community Redevelopment Corporation (CRC) purchased the former St. Elizabeth's hospital in April 2016 to save the vacant and vandalized property from its deteriorating condition and to rehabilitate it to once again serve the local community.

To date, there has been no environmental cleanup activities performed at the Site.

### c. Site Assessment Findings

Prior to taking ownership of the Site, the Fifth Ward (CRC) hired a Qualified Environmental Professional (QEP) to prepare an ASTM Phase I Report for the site, dated October 15, 2015. The Phase I identified one Recognized Environmental Condition

(REC), which was a former underground storage tank (UST) used on site for fleet refueling. This 3,000 gallon diesel underground storage tank (UST) was removed in 1995. Soil samples collected during removal activities exhibited non-detect petroleum product contamination except for xylene, which was detected below regulatory action levels. The subject property received a No Further Action Letter from the Texas Commission on Environmental Quality (TCEQ) in November 1996. For development financing purposes, two additional Phase I ESAs were conducted in February 2018, October 2018, and November 2019.

To assist with the rehabilitation of this property, the City of Houston's Brownfields Redevelopment Program has provided oversight of environmental assessment activities on site. Based on the City's review of Phase I ESA reports, using their EPA Brownfields Assessment grant, the City sponsored a Phase II Site Investigation to address concerns with residual contamination from the 1995 UST closure, historic use of adjacent sites as services stations, and a 1935 city directory record indicating that the corner of the property was used as a service station. The Phase II was conducted in June 2018 and included a geophysical survey to identify unregistered USTs associated with the former services station, and soil and groundwater sampling representative of the former service station and former UST location. The Phase II report, dated September 17, 2018, concluded that soil and groundwater beneath the site does not appear to be affected and no further investigation was warranted.

In addition to ASTM Standard due diligence, the Phase I's included a visual screening of asbestos and lead-based paint. Based on visual observations and the age of the building, all Phase I reports recommended further testing for asbestos containing material (ACM) and lead-based paint (LBP). The following table summarizes results from asbestos and lead-based paint surveys conducted to date:

Scope	Results	Recommendations
Limited Hazardous Materials Assessment, TGE Resources, June 7, 2018		
<ul style="list-style-type: none"> <li>Non-destructive asbestos assessment &amp; survey</li> <li>Preliminary lead-based paint screening (using XRF)</li> </ul>	<ul style="list-style-type: none"> <li>Asbestos was confirmed in samples of a variety of materials, including insulation, mastic, and plaster.</li> <li>Lead was identified in paint on floor tiles, as well</li> </ul>	<ul style="list-style-type: none"> <li>Conduct destructive sampling for asbestos</li> <li>Remove barriers to allow access to entire building</li> <li>Collect samples for lead analysis</li> </ul>

	as on various piping and metal fixtures.	
Limited Supplemental Asbestos Assessment, TGE Resources, June 10 2019		
<ul style="list-style-type: none"> <li>Non-destructive asbestos assessment &amp; survey</li> </ul>	<p><u>Quantity Estimates:</u></p> <ul style="list-style-type: none"> <li>&gt; 128,720 square feet (SF) of ACM, including mastic, vinyl flooring, vapor barrier, etc.</li> <li>&gt; 6,363 linear feet (LF) of ACM, including pipe wrap, pipe mastic, sealant, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Abate by removal</li> <li>Additional sampling is recommended for disposal estimates</li> </ul>
Limited Supplemental Lead Assessment, TGE Resources, May 15, 2019		
<ul style="list-style-type: none"> <li>Sample for presence or absence of LBP for construction and demolition estimates</li> </ul>	<ul style="list-style-type: none"> <li>About 300 SF of LBP above lead coating definition (0.5% by weight).</li> <li>&gt; 16,000 SF of LBP above laboratory detection but below the lead coating definition.</li> </ul>	<p>Paint/coatings containing lead (at any amount) may result in exceedance of applicable Occupational Safety and Health Administration (OSHA) Permissible Exposure Limits (PELs) during disturbance. As such, monitoring of the air during disturbance/removal should be performed until a negative exposure assessment can be established.</p>

The disturbance of ACM may cause asbestos fibers to be released into the atmosphere, creating a potential health hazard to workers and building occupants. Exposure to airborne asbestos fibers is associated with asbestosis, lung cancer, and mesothelioma.

Lead was commonly added to paint until 1978. Lead can be absorbed through ingestion of lead-based paint or inhalation of lead dust. Excessive blood-lead levels can damage the brain and central nervous system. Exposure to lead can cause reproductive problems, high blood pressure, nerve disorders, muscle and joint pain, and memory and concentration problems. Lead is especially hazardous for children.

Environmental reports may be reviewed at Fifth WardCRC's office, located at 4300 Lyons Avenue, Suite 300, Houston, Texas 77020.

d. Project Goal (site reuse plan)

To honor the building's history, Fifth Ward CRC received a historic designation for the building in 2018 and has plans to reuse the property for mixed income residential housing. Plans include renovation of the historic limestone structure, demolition of non-historic portions, and new construction to bring the total residential units to 179. At least 51% of the total units will be affordable and help address the housing shortage in the community. The building will also include a community room, pool, outdoor gardens, recreation space, and an art installation to align with the Cultural Arts District to honor the building's history.

## II. APPLICABLE REGULATIONS AND CLEANUP STANDARDS

a. Cleanup Oversight Responsibility (*identify the entity, if any, that will oversee the cleanup, e.g. the state, Licensed Site Professional, other required certified professional*)

Cleanup will be conducted in accordance with U.S. Environmental Protection Agency (EPA), Occupational Safety and Health Administration (OSHA), and Texas Department of State Health Services (TDSHS). Per TDSHS, every aspect of asbestos management from inspection to removal, and maintenance in place, is to be performed by a licensed individual trained in accordance with TAHPR requirements. The removal of the asbestos-containing materials will be conducted by EPA accredited and TDSHS licensed asbestos abatement contractor employing TDSHS licensed Asbestos workers under the supervision of an EPA accredited and TDSHS licensed Asbestos supervisor employed by a TDSHS licensed contractor.

General project management and Brownfields Program Management will be performed by Fifth Ward CRC. Fifth Ward CRC will appoint a Program Manager and Quality Assurance Manager to oversee consultants and contractors and ensure project compliance with applicable laws, regulations, and industry standards.

b. Cleanup Standards for Major Contaminants (*briefly summarize the standard for cleanup e.g. state standards for residential or industrial reuse*)

Beginning January 1, 2002, Texas Senate Bill 509, formally codified under 25 TAC §295.34 (l), required municipalities to verify that an asbestos survey has been conducted prior to issuing renovation/demolition permits for the interiors of public or commercial buildings. Such surveys must comply with State and Federal laws governing asbestos surveys, must incorporate the areas of the building where renovation or demolition will occur and must accurately describe the building materials where the renovation/demolition will take place. In accordance with 25 TAC §295.34(i), contractor installation of asbestos-containing products (unless there is no alternative building material) was prohibited. Additionally, contractors are required to have safety data sheets (SDSs) for all newly installed building materials (25 TAC §295.34 [j]). Maintaining and archiving the SDSs along with an architect or engineer signed statement stating the absence of ACM in new construction products will serve the purpose of a survey. This effort is intended to alleviate the need for an asbestos survey for the same areas, if they are to be renovated in the future.

Cleanup of asbestos and lead will comply with Texas Department of State Health Services (TDSHS) for public buildings, which is complete removal or encapsulation of friable asbestos or lead-based paint. After cleanup is complete, air samples will be collected by an EPA accredited and DSHS licensed air monitoring technicians and analyzed by Phase Contrast Microscopy (PCM) in accordance with NIOSH 7400 Method. Once the concentration of fibers in the samples achieve less than 0.01 fibers/cc, the cleanup area will be deemed cleared. Copies of the Certification of Visual Inspection and clearance test results will be posted for each work area through the entire building.

**c. Laws & Regulations** *(briefly summarize any federal, state, local laws and regulations that apply to the cleanup)*

Laws and regulations that are applicable to this cleanup include: OSHA, EPA NESHAP, Texas Department of State Health Services (TDSHS) and the Federal Small Business Liability Relief and Brownfields Revitalization Act, the Federal Davis-Bacon Act, Section 3, and state environmental law. Federal, state, and local laws regarding procurement of contractors to conduct the cleanup will be followed. In addition, all appropriate permits (e.g., notify before you dig, soil transport/disposal manifests) will be obtained prior to the work commencing.

Agency	Regulation	Description
OSHA	29 CFR 1910.1001 - General Industry	Establishes minimum standards for the protection of workers involved in asbestos-related work or employees exposed to asbestos-contaminated places.
OSHA	29 CFR 1910.1101 (formerly 1926.58) - Construction Industry	Addresses asbestos exposure during construction and renovation activity; and sets forth standards which employers must follow in documenting the protection of workers.
OSHA	29 CFR 1910.134 - Respirator Program	States that a respirator program must be put into place when asbestos is disturbed (i.e., during the performance of response actions), and as necessitated by OSHA in the designation of a "regulated area" during the performance of Class I, II, or III work.
OSHA	29 CFR 1910.1025 and 29 CFR 1926.62 Lead Exposure	Govern work practices to be followed during work where the potential for exposure to lead exists. Specifically, an employer shall assure that no employee is exposed to lead at concentrations greater than fifty micrograms per cubic meter of air averaged over an 8-hour period and must perform exposure monitoring to determine possible exposure to workers.
EPA	40 CFR 763, Subpart E - Asbestos Hazard Emergency Response Act (AHERA)	In October, 1986, AHERA was signed into law. Included in this law were specific provisions directing the USEPA to establish regulations and address standards for identifying, evaluating and controlling asbestos materials in schools (40 CFR, Part 763 Subpart E), as well as in public buildings per 1995 update to law (per 29 CFR 1910.1101). These protocols are used as the framework for OSHA inspections and inspection procedures utilized for this assessment.
EPA	40 CFR 61, Subpart M – National Emissions Standards for Hazardous Air Pollutants (NESHAP)	NESHAP provides for the control of environmental releases of asbestos caused by renovation/demolition activities. The NESHAP Standard requires: no discharge of visible emissions to the outside air during the collection processing, packaging, or transporting of any asbestos- containing waste material; adequate wetting of ACM; and processing of asbestos- containing waste material into non-friable forms.
DOL	The Davis-Bacon Act, as Amended	The Davis-Bacon and Related Acts apply to contractors and subcontractors performing on federally funded or assisted contracts in excess of \$2,000 for the construction, alteration, or repair of public buildings or public works. Davis-Bacon and Related Act contractors and subcontractors must pay laborers and mechanics employed under the contract no less than the locally prevailing wages and fringe benefits for corresponding work on similar projects in the area.
HUD	Section 3, Economic Opportunities	The Section 3 program requires that recipients of certain HUD financial assistance, to the greatest extent possible, provide training, employment, contracting and other economic opportunities to low- and very low-income persons, especially recipients of government assistance for



		housing, and to businesses that provide economic opportunities to low- and very low-income persons.
<b>TDSH</b>	25 Texas Administrative Code (TAC) §295 - Texas Asbestos Health Protection Rules	The State of Texas adopted rules (statutes) governing asbestos maintenance, removal and/or any related asbestos response action involving potential ACM or ACM. These rules, the Texas Asbestos Health Protection Rules (TAHPR), also include licensing requirements for individuals, consultants, abatement firms and building owners when asbestos is present, and/or when testing is performed to locate such material (25 TAC §295.71).

### III. EVALUATION OF CLEANUP ALTERNATIVES

#### a. Cleanup Alternatives Considered

To address ACM and LBP on Site, Fifth Ward CRC has considered three different alternatives:

1. No Action
2. Encapsulation
3. Abatement by Removal

#### b. Cost Estimate of Cleanup Alternatives

Alternative	Effectiveness	Implement-ability	Cost
<b>1. No Action</b>	No action is not effective in controlling or preventing the exposure of receptors to contamination at the Site.	No action is easy to implement since no action will be conducted.	No direct cost associated with no action; however, there is a carrying cost to holding the real estate without beneficial reuse.
<b>2. Encapsulation</b>	Encapsulation of ACM and LBP would only be partially effective due to the current condition of the building. Walls, ceilings, piping, and other structures have been vandalized and suffer significant water damage, requiring complete removal.	Due to the historic preservation requirements for the building, encapsulation could not be implemented in all locations. Selective encapsulation may be considered for ACM, like floor tiles, that serve a purpose for historic preservation.	Encapsulation costs are more cost effective in general than removal of ACM; however, pricing has not been estimated for this project due to the fact that encapsulation is not an effective or implementable alternative.

<b>3. Abatement by removal and select encapsulation</b>	<p>Complete removal of ACM and LBP is the most effective strategy for ensuring that future occupants or workers are not exposed to friable asbestos or lead. In some cases, select encapsulation may be appropriate to protect human health while preserving historic features, like terrazzo floor tiles.</p>	<p>Implementation would be managed within the entire project schedule. Abatement by removal would occur prior to renovation activities. Abatement would start with the demolition of the center wing of the building. For the abatement of the historic portion of the building; Negative pressure containments would be built to prevent visible emissions ensuring wet methods were used to reduce fiber release. Engineering controls along with air monitoring would be incorporated during the asbestos abatement. Encapsulation is not recommended due to the long term cost effectiveness.</p>	<p>Preliminary estimates from local abatement contractors range from <b>\$450,000-\$700,000</b> to remove ACM and LBP and dispose of it at an appropriate receiving facility. The abatement activities are expected to last 60 days. Consultant oversight, including bid specifications, notifications, and project management is estimated to cost between <b>\$75,000 – 100,000</b>. Annual Operations and Maintenance (O&amp;M) plan may be required if materials are encapsulated, costing about \$2,000/yr.</p>
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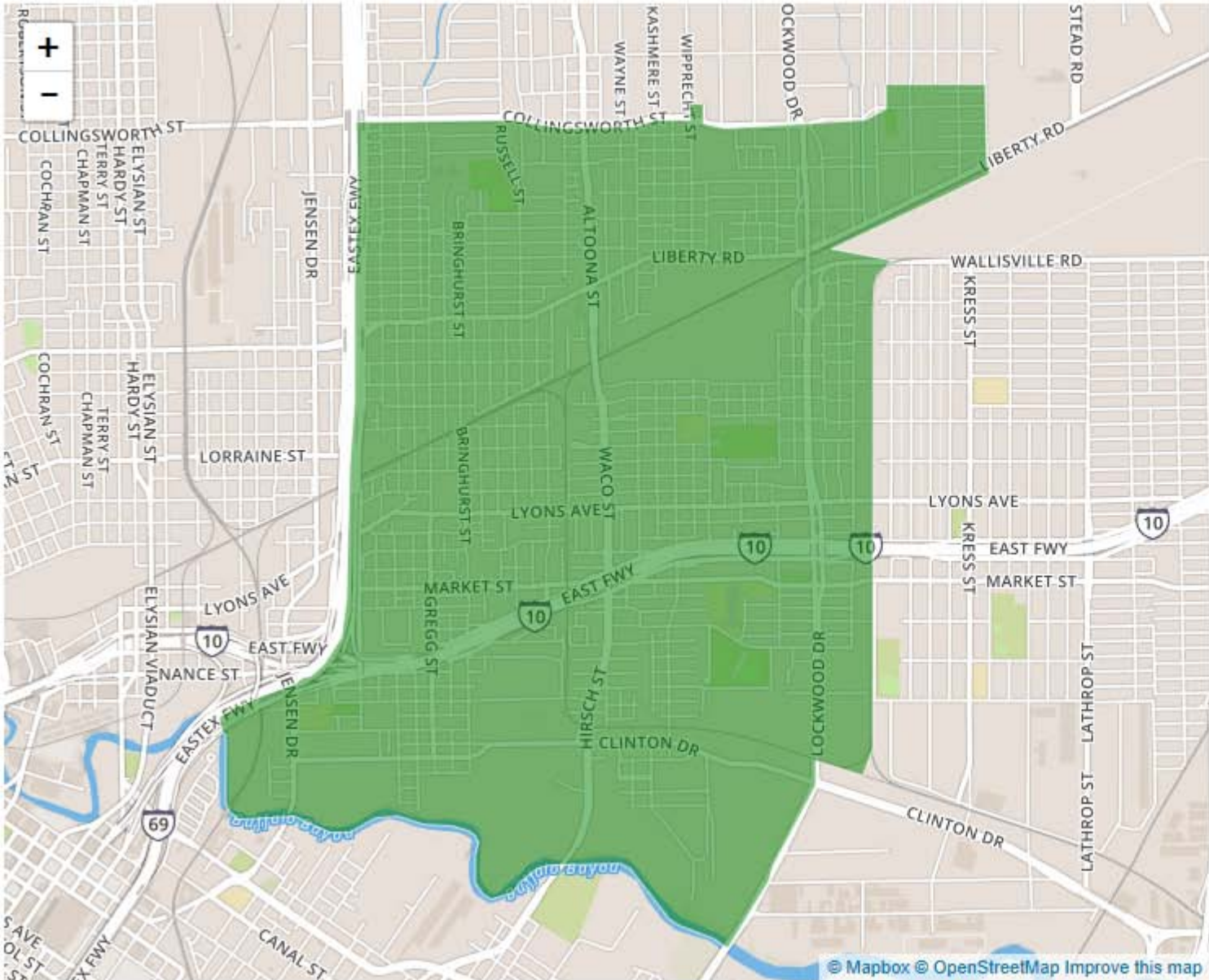
#### c. Recommended Cleanup Alternative

The recommended cleanup alternative is Alternative #3: Abatement by Removal. Alternative #1: No Action cannot be recommended since it does not address Site risks. Alternative #2: is neither effective or implementable given the historic preservation requirements, damaged building materials from vandalization, and extensive water damage. Alternative #3: Abatement by Removal is the only option available, and therefore the recommended option, to effectively remove human health hazards from asbestos and lead-based paint from the building. Cost savings strategies will include effective time management of abatement labor, tactical use of isolated cleanup-cells, separation of materials for disposal (paying careful attention to not contaminate general construction debris), and establishment of zero-tolerance health and safety standards on site to prevent injury, protect human health, and avoid project delays or violations. If

materials are encapsulated, an ACM O&M Plan will be required, which will be managed in the operating budget for the building.

DRAFT

# Fifth Ward Neighborhood Map



Neighborhood Name	Fifth Ward
Zipcode	77020
City	Houston
Region	Metro Houston
Area Codes	281 / 713 / 832 / 346

## Application for Federal Assistance SF-424

\* 1. Type of Submission:

- ☐ Preapplication  
☒ Application  
☐ Changed/Corrected Application

\* 2. Type of Application:

- ☒ New  
☐ Continuation  
☐ Revision

\* If Revision, select appropriate letter(s):

\* Other (Specify):

\* 3. Date Received:

12/03/2019

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

### State Use Only:

6. Date Received by State:

7. State Application Identifier:

### 8. APPLICANT INFORMATION:

\* a. Legal Name:

FIFTH WARD COMMUNITY REDEVELOPMENT CORPORATION

\* b. Employer/Taxpayer Identification Number (EIN/TIN):

\* c. Organizational DUNS:

8036426930000

### d. Address:

\* Street1:

4300 LYONS AVENUE, SUITE 300

Street2:

\* City:

HOUSTON

County/Parish:

HARRIS COUNTY

\* State:

TX: Texas

Province:

\* Country:

USA: UNITED STATES

\* Zip / Postal Code:

77020-2544

### e. Organizational Unit:

Department Name:

Division Name:

### f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

Mrs.

\* First Name:

KATHY

Middle Name:

\* Last Name:

PAYTON

Suffix:

Title:

PRESIDENT/CEO

Organizational Affiliation:

FIFTH WARD COMMUNITY REDEVELOPMENT CORPORATION

\* Telephone Number:

713-674-0175

Fax Number:

713-674-0176

\* Email:

kpayton@fifthwardcrc.org

## Application for Federal Assistance SF-424

### \* 9. Type of Applicant 1: Select Applicant Type:

M: Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education)

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

\* Other (specify):

### \* 10. Name of Federal Agency:

Environmental Protection Agency

### 11. Catalog of Federal Domestic Assistance Number:

66.818

CFDA Title:

Brownfields Assessment and Cleanup Cooperative Agreements

### \* 12. Funding Opportunity Number:

EPA-OLEM-OBLR-19-07

\* Title:

FY20 GUIDELINES FOR BROWNFIELD CLEANUP GRANTS

### 13. Competition Identification Number:

Title:

### 14. Areas Affected by Project (Cities, Counties, States, etc.):

1243-Map of Fifth Ward Community.png

Add Attachment

Delete Attachment

View Attachment

### \* 15. Descriptive Title of Applicant's Project:

The Historic St. Elizabeth's Hospital Adaptive Reuse project will bring life to a vacant cultural asset to catalyze economic revitalization in the 5th Ward community along Lyons Avenue.

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments



**Application for Federal Assistance SF-424****16. Congressional Districts Of:**

\* a. Applicant TX-018

\* b. Program/Project TX-018

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

**17. Proposed Project:**

\* a. Start Date: 05/01/2020

\* b. End Date: 09/30/2020

**18. Estimated Funding (\$):**

* a. Federal	500,000.00
* b. Applicant	100,000.00
* c. State	0.00
* d. Local	0.00
* e. Other	0.00
* f. Program Income	0.00
* g. TOTAL	600,000.00

**\* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- ☐ a. This application was made available to the State under the Executive Order 12372 Process for review on .
- ☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- ☒ c. Program is not covered by E.O. 12372.

**\* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

**21. \*By signing this application, I certify (1) to the statements contained in the list of certifications\*\* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances\*\* and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ \*\* I AGREE

\*\* The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

**Authorized Representative:**

Prefix: Mrs. \* First Name: KATHY

Middle Name:

\* Last Name: PAYTON

Suffix:

\* Title: PRESIDENT/CEO

\* Telephone Number: 713-674-0175 Fax Number: 713-674-0176

\* Email: kpayton@fifthwardcra.org

\* Signature of Authorized Representative: KATHY PAYTON \* Date Signed: 12/03/2019